



Prime Minister Kiichi Miyazawa striding far in front Wednesday as he guided visiting leaders of the Group of Seven nations to the site for a group photograph.

Summit Breathes Life Into World Trade Talks

U.S. Sees 'Market Access' Agreement On Tariff Cuts as a 'Breakthrough'

By Andrew Pollack
TOKYO — In what could well end up as the biggest surprise and most important accomplishment of the Group of Seven summit meeting, trade representatives of the world's major economies appear to have succeeded in what some had thought impossible.

Power Struggle Cripples Pakistan

Fears of a Military Takeover Spread Amid Charges of 'Political Anarchy'

By Molly Moore
A vicious political battle among Pakistan's top leaders has paralyzed the government, sent the stock market tumbling and begun fueling speculation that the army may step into the fray and declare martial law.

Clinton Grabs Center Stage, In 'Good Mood'

By R.W. Apple Jr.

TOKYO — President Bill Clinton stepped onto the world stage with a flourish Wednesday, hailing a limited agreement to lower tariffs as a major breakthrough, appealing directly to the Japanese to open their economy more fully to foreign participation and plunging into his capital's narrow, twisting streets to shake hands and chat with children.

A Deal That Doles Out Benefits Across a Spectrum of Industries

By Tom Redburn and Tom Buerkle

There is as much politics as economics in the sweeping "market-access" package agreed upon Wednesday by the key industrial powers in Tokyo, with something for practically every group with a stake in trying to reach a global trade accord.

Nigeria's Democracy Preacher Fails Test

By Keith B. Richburg

NAIROBI — At one time, not too many months ago, Nigeria appeared to be on the cutting edge of black Africa's democratic revolution. But with the specter of widespread anti-government violence and a tough crackdown by the army and the police, the continent's most populous nation now stands as the latest tragic example of yet another African military dictatorship clinging ruthlessly to power amid popular discontent.

NEWS ANALYSIS

month's free elections. Moshood K. O. Abiola, a Muslim businessman and millionaire, is holding steadfast against the dictatorship's efforts to annul the election results.

Rift Over Islamic Cleric Strains U.S.-Cairo Ties

By Chris Hedges

CAIRO — Relations between the United States and Egypt, once the linchpin of American policy in the Arab world, have sharply deteriorated over a number of disputes that culminated with the detention of Sheikh Omar Abdel Rahman, whom Egyptian officials condemn as a "creation" of the American government.



GETTING THE POINT — Heading for cover Wednesday in Pamplona, Spain, during the running of the bulls on the opening day.

The Titanic: Artifact Trove, or Hallowed Gravesite?

By William J. Broad
NEW YORK — Deep-sea salvagers have sailed into Norfolk, Virginia, with about 800 artifacts newly raised from the bulk of the Titanic, prompting charges that they are violating the spirit of a federal law that sought to make the famous shipwreck a memorial to its more than 1,500 victims.

Kiosk

Kurdish Rebels Kill 8 in Turkey

ANKARA (Reuters) — Kurdish guerrillas killed eight Turkish soldiers in southeastern Turkey on Wednesday, the semi-official Anatolian news agency reported.

Table with market news: Book Review, Bridge, Crossword, Weather.

Table with market news: Dow Jones, Trib Index.

Table with market news: The Dollar, New York, West coast, Province close.

See TITANIC, Page 2

# Bosnia Leadership Set to Reject Ethnic Division Plan

By John Pomfret  
Washington Post Service

SARAJEVO, Bosnia-Herzegovina — The mainly Muslim government is poised to reject a plan, backed by Serbian and Croatian nationalist forces, to carve Bosnia into three ministates, government officials said Wednesday in a development portending more war for this Balkan country.

"We simply cannot accept the division of Bosnia," said Miro Lazovic, president of Bosnia's parliament and one of three members of a special government committee set up late last month to counter Serbian and Croatian moves to split the country.

"Partition is not an option for us," echoed the Bosnian vice president, Ejup Ganic, who chaired the group — made up of one Muslim, one Croat and one Serb.

The tough stance of the Bosnian government — which will be formalized in a meeting scheduled in the next week — is at odds with the military situation on the ground where Serbian and Croatian forces now control close to 90 percent of the country. Over the past six weeks, the two factions have allied and are threatening to shred the last contiguous chunk of Muslim territory in Bosnia into four slivers.

In late June, they also agreed to partition the country. In recent weeks, Serbs have cut off water, electricity and gas to the capital, Sarajevo, and — with their newfound allies — appear under no international pressure to lift relentless sieges on all main Muslim population centers in the country.

Muslim officials maintain that after any partition Bosnia Serbs would immediately merge their state with Serbia to the east and Bosnian Croats would do the same with Croatia to the west.

"Agreeing to partition is like allowing someone to come to your house, move into more than half the rooms, steal your furniture, kill and rape your daughters and then tell you to sign on the dotted line," Mr. Ganic said. "We just can't say yes to that."

For their part, Serbian and Croatian nationalists are reveling in their apparent victory and have begun issuing ultimatums. The Bosnian Serbian leader, Radovan Karadzic, told a news conference in Serb-held Banja Luka on Tuesday that the Muslim government had 20 days to agree to partition.

"If the Muslims are for war we have to totally defeat them," he said. "If they are for peace, we are ready to assure them safe territory in a confederal state."

Across Bosnia on Wednesday, Serbian and Croatian forces hammered their Muslim enemies. Commander Barry Frewer, chief spokesman for the United Nations force in Bosnia, said that "there is fighting under way in all our areas of operation."

Only two districts were free of gunfire, he said. These were Zepa and Srebrenica, Muslim enclaves in eastern Bosnia surrounded by Serbian forces.

Separately, Tony Land, chief of Bosnian operations for the UN High Commissioner for Refugees, said his work was becoming impossible.

"We've come to a point where unless there is a major political change of one sort or another we do not have the space to do our job," he said. "There is no humanitarian action that we can take to solve these problems."

UN demand and moved chemical production machinery to a destruction site.

The source said that the machinery has been transported to Muthana, 130 kilometers (80 miles) northwest of Baghdad, the site designated by the UN for the elimination of Iraq's stocks of poisonous gases and related tools and equipment.

Baghdad had stalled on a UN order to transfer the chemical production equipment from a site in Fahija, 50 kilometers west of Baghdad to Muthana. It argued that it needed the machinery for agricultural purposes.

The source said that the standoff over the missile sites had not affected the operation to move the chemical equipment. A team of UN experts pulled out of Baghdad on Monday after failing to persuade Iraq to allow them to install monitoring cameras at the two missile sites.

The United States described Baghdad's rejection of the camera installation as "a bad sign."

(AFP, Reuters)

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(AFP, Reuters)

## WORLD BRIEFS

### 6 Somali UN Workers Are Murdered

MOGADISHU, Somalia (Combined Dispatches) — As many as six Somali employees of the United Nations were slain here Wednesday in an ambush, and the UN envoy to Somalia, a retired U.S. admiral, Jonathan Howe, promised that peacekeepers would hunt the gunmen down.

Two of the Somalis were dragged from their car and shot to death in Mogadishu. Four wounded in the attack were abducted and presumed dead. The attack occurred about two kilometers from United Nations headquarters.

Also Wednesday, three visiting U.S. congressmen said the arrest of Somalia's main warlord, General Mohamed Farah Aidid, was imminent. He has been sought since his armed supporters killed 24 Pakistani UN troops in clashes on June 5. The UN has offered a reward of an undisclosed amount for information leading to his arrest. (AP, AFP)

### Georgia Says It May Cut Moscow Tie

MOSCOW (AFP) — Prime Minister Tengiz Sigua of Georgia threatened Wednesday to cut diplomatic ties with Moscow after a Georgian helicopter was shot down by Abkhazian rebels, killing several soldiers.

Mr. Sigua gave Moscow two days to take measures to end the rebellion in Abkhazia or face a break in diplomatic relations. The conflict has grown increasingly bloody in past days as Abkhazian separatists launched an offensive on Georgian-held territory.

Moscow has repeatedly denied Georgian accusations that it supports Abkhazia in the 11-month-old war. Abkhazia is fighting for independence from Georgia.

### Thais Are Said to Aid Khmer Rouge

PHNOM PENH (Combined Dispatches) — Thai troops helped Communist Khmer Rouge guerrillas seize a historic temple on Cambodia's frontier with Thailand early Wednesday, a government spokesman said. The spokesman said his government would demand a meeting with Thailand's ambassador to discuss the attack on the Preah Vihear temple in northern Cambodia.

The UN spokesman, Eric Falt, confirmed that the Khmer Rouge had taken the temple but had no information about Thai troops joining in the attack, and no independent confirmation of Thai involvement was immediately available. The capture of the temple had more a symbolic than a military value, Mr. Falt said.

Meanwhile, 66 Japanese UN civilian police concluded their mission in Cambodia and left for home Wednesday, the first of the Japanese contingent to leave Cambodia. Japan has also sent 600 engineering troops and 8 military observers to Cambodia, most of whom will remain until at least August. (AP, AFP, Reuters)

### Murdoch Warns Unions at N.Y. Post

NEW YORK (AP) — Rupert Murdoch's News America Publishing Co. has said it will give up on Friday in its efforts to buy the New York Post unless it has new agreements with the newspaper's unions. No other buyers are in sight, so a Murdoch withdrawal would probably mean the end of the nation's oldest continuously published daily, which was founded by Alexander Hamilton in 1801.

"This is not a bluff, not a game," Howard J. Rubenstein, a Murdoch spokesman, said Tuesday. "It's very serious business. Mr. Murdoch wants the paper to continue but not at any cost." The Post is operating under protection of federal bankruptcy law.

Mr. Murdoch gave the Post's 11 unions a July 9 deadline, after a bankruptcy judge last week approved an extension of his operating agreement and said he could cancel the deal on three days' notice.

### Garbage Piles Up at Paris Airport

PARIS (AP) — Airline passengers skirted heaps of garbage and avoided overflowing toilets Wednesday as a cleaners' strike at Charles de Gaulle Airport's Terminal One entered its second week.

Talks are deadlocked between unions and the airport's private cleaning contractor over an agreement allowing for cutting the company's staff 18 percent. Meanwhile, perfume sales at the terminal's shops have risen sharply. And mothers report that instead of taking their children to the bathroom, they are taking them outside the terminal.

Fights to end from Brussels airport were delayed Wednesday because of a two-hour strike by air traffic controllers, who want an agreement on work conditions for technical staff.

A record 5.2 million overseas tourists visited Britain in the first quarter of this year, the government said Wednesday, a 12 percent increase over the same period last year and the best three months to April on record. Tourists also spent an estimated £2.38 billion (\$3.58 billion), 19 percent more than in the same period a year earlier. (Reuters)

### Tanks Sent to End Rioting in Lagos

#### As Parties Split Over New Elections

LAGOS — The Nigerian Army sent tanks into the streets to quell rioting Wednesday, as the country's Social Democratic Party said it would consider joining an interim government to resolve Nigeria's postelection impasse.

The party said it opposed a rerun of the presidential election, which it believes its candidate, Moshood K. O. Abiola, won.

Protests against the annulment of the June 12 vote paralyzed southwest Nigeria. Mr. Abiola's home region, for a third straight day Wednesday.

The army sent tanks into Lagos, the largest city, to quell rampaging gangs. In Ibadan, the second-largest city, the police broke up demonstrations with tear gas.

Witnesses said five people had been killed Wednesday in clashes between demonstrators and security agents in Lagos.

The latest casualties bring the death toll to at least 17 since Tuesday, when security agents began to open fire on looters and demonstrators protesting the cancellation of the elections. According to some reports, as many as 29 people have been killed.

In the capital, Abuja, officials of Mr. Abiola's party and the National Republican Convention of his election rival, Bashir Tofa, were preparing for a meeting with the military ruler, General Ibrahim Babangida.

General Babangida has promised to surrender power to an elected civilian government by Aug. 27, but he scrapped last month's presidential election without letting the result be officially announced.

He has given the two parties until Friday to accept either fresh elections or an interim government under which the parties and all elected bodies would be dissolved.

After a meeting of Social Democratic leaders, a party spokesman, Amos Idakula, said: "We have adopted the second option, which is the formation of an interim national government."

But he said the party would only cooperate if all political structures, from ward to national level, remained in place.

A senior party official, Balaram Musa, added another condition: "The interim government should be based on the result of the June 12 presidential election, which we still stand by."

The National Republican Convention offers the other option offered by General Babangida: a new election in which both Mr. Abiola and Mr. Tofa would be barred as candidates.

In Lagos, tanks and armored cars were deployed Wednesday at flashpoints. The city had been brought to a standstill on Monday and Tuesday when gangs seized on the Campaign for Democracy's call for a week of protest to go marauding.

In Ibadan, residents said the police had fired tear gas to disperse demonstrators, some of whom carried a coffin draped with the Nigerian flag.

Beke Ransome-Kuti, leader of the Campaign for Democracy, was detained by security agents on Tuesday night, his daughter, Nike, reported. (Reuters, AP, AFP)

## Baghdad Refuses To Give In on Sites

Compiled by Our Staff From Dispatches

BAGHDAD — Iraq said Wednesday it would not give in to United Nations demands to install surveillance cameras at missile test sites unless it received concessions in return.

The United Nations is locked in a dispute with Iraq over its refusal to allow weapons inspectors to install the cameras at the Yarmouk al Azim and Rafah test sites.

The speaker of parliament, Saadi Mahdi Saleh, a senior member of President Saddam Hussein's Arab Ba'ath Socialist Party, told an emergency session of parliament that Iraq would not give way unless there was a "quid pro quo" from the United Nations, and warned that Iraq would retaliate against any attacks.

Baghdad wants the Security Council to lift the embargo imposed after the invasion of Kuwait three years ago, arguing it has met Gulf War cease-fire resolutions ordering the elimination of its weapons of mass destruction.

Meanwhile, a UN source said Wednesday that Iraq had obeyed a

UN demand and moved chemical production machinery to a destruction site.

The source said that the machinery has been transported to Muthana, 130 kilometers (80 miles) northwest of Baghdad, the site designated by the UN for the elimination of Iraq's stocks of poisonous gases and related tools and equipment.

Baghdad had stalled on a UN order to transfer the chemical production equipment from a site in Fahija, 50 kilometers west of Baghdad to Muthana. It argued that it needed the machinery for agricultural purposes.

The source said that the standoff over the missile sites had not affected the operation to move the chemical equipment. A team of UN experts pulled out of Baghdad on Monday after failing to persuade Iraq to allow them to install monitoring cameras at the two missile sites.

The United States described Baghdad's rejection of the camera installation as "a bad sign."

(AFP, Reuters)



Muslim parents being reunited Wednesday in Travnik, Bosnia, with their daughter, who had arrived from a Serb-controlled area.

## EGYPT: Cleric Strains Relations

Continued from Page 1

rights issues and the establishment of democratic governments.

"The Americans, as they do in the whole world, come here and want us to be like them," another Egyptian official said. "They understand nothing of our values or our culture, and the result is chaos."

Mr. Pelletreau has expressed increasing displeasure with the human rights record of Egypt and has

accused the government of being slow to liberalize its largely state-controlled economy. He has also accused Mr. Mubarak of corruption within the government, said a source who was at the meeting.

Earlier this year, Egyptian officials said, they were outraged after discovering that two employees from the U.S. Embassy had been meeting with prominent members of the Islamic Group, who consider Sheikh Abdel Rahman their spiritual leader.

"Perceptions affect politics more than facts," said Mohammed Sid Ahmed, a columnist, "and the perception is that the Americans are indebted to the sheikh for his support during the war against the Russians in Afghanistan."

The Egyptian government, struggling to fend off the mounting violence of Islamic militants, could have exploited the detention of Sheikh Abdel Rahman, and the arrest of at least 12 of his followers in New York, by carrying its campaign against Islamic fundamentalism to the outside world.

Sheikh Abdel Rahman, who calls for the armed overthrow of the Mubarak government, which he says is run by "infidels," also attacks the democratic and social liberties of the West. And his followers are suspected of planning not only to kill Mr. Mubarak, but to also blow up commuters in the Lincoln Tunnel, in New York City.

The Islamic Group has carried out a series of bombings and assassinations in Egypt against government officials, police officers, intellectuals, Coptic Christians and foreign tourists. The country's tourism industry, which once brought in \$2.2 billion a year, has been virtually put out of business. In the last 18 months, 180 people have died in militant-related violence.

But what was an opportunity to build links between those under attack in New York and those under attack in Egypt appears to have been squandered. The high profile given to the sheikh and the arrest of his followers by the Clinton administration and the American press is seen by many Egyptian officials as an effort to enhance the stature of Egypt's Islamic militant movement.

## TITANIC: Is the Sunken Liner a Trove of Artifacts or a Hallowed Grave?

Continued from Page 1

ery for the first time, fueling disputes among treasure hunters, salvagers, historians and archaeologists.

The Titanic sank in 1912 on its maiden voyage from Southampton, England, to New York after hitting an iceberg. Last week was the first time any part from the sunken ship had reached American soil.

Equipped with an underwater robot, Dr. Robert D. Ballard of the Woods Hole Oceanographic Institution on Cape Cod, Massachusetts, led an American-French team that discovered the luxury liner's grave site in September 1985. He thereafter campaigned to have the place left undisturbed, and in July 1986 journeyed to the ocean bottom in a submarine to photograph the site extensively.

In October 1986, President Ronald Reagan signed legislation urging talks with other nations to designate the Titanic an international, maritime memorial and to develop guidelines for research and possible salvage of the sunken

vessel. The law expressed a "sense of Congress" that, until such guidelines were adopted, research and exploration of the Titanic be permitted only if nothing at the site was physically altered or salvaged. But no such guidelines were ever developed.

In 1987, a group of American investors hired the French team that worked with Dr. Ballard to rediscover the wreck site. The team, from the French Institute for Maritime Research and Exploration, used a minisubmarine equipped with a tiny robot to recover about 1,800 artifacts. Most of these are now in France.

The pendulum swung toward preservation in 1991 as a team of Russian, Canadian and American experts filmed the Titanic for a movie and thereafter argued that the site be left alone.

Mr. Geller said his company was successor to the concern that organized the 1987 salvage expedition, Titanic Ventures, which was based in Connecticut. That company spent \$8.5 million, he said, adding RMS Titanic went public

with a stock offering in May through which it hopes to raise \$8 million.

Under its contract with the French institute, which continues to do the salvage work, Mr. Geller said, RMS Titanic has agreed to sell no artifacts brought up from the wreck but can organize exhibitions and charge an entry fee.

The current expedition reached the Atlantic site on June 8 and left June 23. The French ship carrying the three-person minisubmarine and robot sailed into Norfolk on June 29. The artifacts are to be restored there.

Mr. Geller said that among the 800 recovered items were china, spittoons, three ship whistles and a diary. He added that the items had come exclusively from the area around the sunken ship and not the main body of the wreck, out of respect for those who consider it a grave. "We respect that and haven't touched the ship itself," he said.

He said exhibition of the artifacts would begin early next year at the National Maritime Museum in Greenwich, England.

## U.S. Indicts 10 For Conspiracy In Bombing Plot

NEW YORK — Ten suspects were indicted by a U.S. grand jury on Wednesday for allegedly planning to bomb the United Nations and other New York City landmarks, federal prosecutors said.

The men are charged with conspiring to bomb a building in the UN headquarters, the federal office building that houses the FBI and two highway tunnels under the Hudson River.

Eight of the defendants were named in a complaint filed by prosecutors two weeks ago. The indictment added the name of Earl Gant, who was arrested in Philadelphia last week, and a 10th man who was listed only by his first name, Wahid. If convicted of the charges, each defendant faces a possible maximum term of 10 years in prison and fines of \$500,000.

Investigators had previously said the group planned to assassinate Secretary-General Butros Butros Ghali, President Hosni Mubarak of Egypt and Senator Alfonse M. D'Amato, Democrat of New York, a strong supporter of Israel.

Prosecutors said during bail hearings for the defendants that some of the suspects had also discussed the possibility of bombing Manhattan's diamond district in order to kill Jews. This location was not included in the indictment.

For investment information, read THE MONEY REPORT every Saturday in the IHT.

## NIGERIA: A Preacher of Democracy Fails the Test

Continued from Page 1

represents such a bellwether in Africa, and has even touted itself as an example of democratization," said Pauline Baker, an expert on Africa at the Aspen Institute in Washington. "Having advertised itself so much as going back to civilian rule, and now having things go so badly, it certainly does plunge people's hopes all over Africa."

Nigeria's current crisis has exposed the myth that a military coup-maker like General Babangida could ever be serious or sincere about wanting to see a return to civilian rule. For more than two years, he talked the game of democracy, while at the same time cynically tinkering and tampering with the very process he himself set in motion.

He delayed three times his own announced timetable for a transition to civilian rule. He called for civilian presidential elections and on successive occasions canceled the results when he did not like the outcome. With each cancellation, he rewrote the rules to disqualify candidates not to his liking.

Opposition leaders and human rights advocates in Lagos had warned for many months that the military was perpetuating a "hidden agenda" to prolong its grip. But General Babangida retained the benefit of the doubt, in part because he spoke so often, and so seemingly sincerely, about the need for dictators to give way to the will of the people.

At an Organization of African Unity meeting in Dakar, Senegal, last year, it was General Babangida who gave the most ringing endorsement of democratic reform, admonishing fellow African leaders for trying to fight the growing trend to pluralism. And in the autumn of 1991, during a visit to the United Nations, he gave an interview to The Washington Post in which

he said democratization in Africa was inevitable because "the people, the Africans, are beginning to realize they have to have a change in the way they are run, the way they are governed."

"The question of clinging on to power is something of the past," he said in that interview. "We have all talked about democratization," he added. "We all have to come along with it, otherwise we will get swept away."

Ms. Baker, of the Aspen Institute, said: "It was a lot of talk about democracy, but absolutely no comprehension and no understanding of what that meant. I think he may have had a vision for stepping down, but he wanted to do it in such a way as to guarantee that he remained a force behind the scenes."

"Everything he's done reflects his view that he could impose things from the top down," she added.

But so convincing were General Babangida's public presentations that he became the democratic darling of black American activists. At a meeting in Cabon in May, the Reverend Jesse L. Jackson praised General Babangida as "one of the great leader-servants of the modern world in our time" and told him, in a speech, "You do not stand alone as you move with a steady beat toward restoring democracy."

But even while General Babangida pledged democracy, other speeches and public statements he made carried more ominous signs that raised questions about his true commitment. Only last May 17, in a speech to graduates of Nigeria's national war college, he warned that "the military cannot afford to be indifferent to its succession."

At the same time, the Babangida regime continued to shut down critical newspapers and magazines and jail anti-government dissidents.

## PAKISTAN: 'Political Anarchy'

Continued from Page 1

ing. "This is the end of Pakistan,"

The battle over Punjab has thrown the province into chaos. Both the president and the prime minister have appointed their own loyalists as its governor. When the prime minister's appointee tried to force his way into his office this week, police guards loyal to the president's interim governor barred him from the door.

On the national political level, Miss Bhutto, who was tossed out of office by the president just over two years ago, has been trying to use the upheaval to press the government to call new elections. Miss Bhutto has charged that the 1991 election in which Mr. Sharif defeated her was rigged.

"The current situation is fraught with dangerous consequences," the weekly newspaper Friday Times wrote. "The economy is going down the drain. For how much longer will the armed forces stand by and watch the country go to the dogs?"

Algeria Forest Fires Kill 5

ALGIERS — Forest fires blazing out of control in eastern and central Algeria have killed five people, officials said Wednesday.

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## Poles in 4 Cars Are Beaten Up, Germans Report

BERLIN — Suspected rightists stopped four Polish cars in the East German town of Schwedt, beat up the passengers and threatened them with guns, the police said Wednesday. The police in the East German city of Eberswalde said the attackers had smashed the car windshields.

Nazi and skinheads have attacked foreigners in a campaign of terror since German reunification. At least 22 people have been killed in the last 18 months.

In Frankfurt, 50 would-be immigrants kept in a dormitory for asylum seekers at the city's airport went on a hunger strike Wednesday, saying they would be killed if sent home, officials said.

Bonn's new asylum laws allow immigration officers to conduct preliminary investigations and promptly reject asylum seekers.

## Thomas Jackson of AP Dies

The Dowager Lady Fenwick, 84, grandmother of Diana, Princess of Wales, died Tuesday. She was close to Queen Elizabeth the Queen Mother, and the two were said to have acted as matchmakers for Diana and Prince Charles.

Oliver A. Beach, 89, a leader in the aviation industry and a co-founder and chairman of the Beech Aircraft Co., died Tuesday at her home in Wichita, Kansas.

Charles Torem, 78, doyen of U.S. lawyers in Paris and a former president of the American Chamber of Commerce in Paris from 1966 to 1968, died Saturday in Paris. Mr. Torem was senior partner with Couderc Freres.

Rejoining the news cooperative after the war, Mr. Jackson became AP Southeast Asian correspondent based in Singapore, from where he covered the spreading French Indochina war and other events.

Back in the United States, he quickly moved into the position of overnight foreign desk supervisor.

"He made them better than they were."

He drilled them all in the Jackson style — spare and direct prose that made clear to ordinary Americans both what had happened and what it meant.

Mr. Jackson was a native of Baton Rouge, Louisiana, and a journalism graduate of Louisiana State University.

He worked for the Baton Rouge State Times and Morning Advocate newspapers before joining the AP in New Orleans in 1940.

He was the Jackson, Mississippi, correspondent in 1941 when he left to join the navy. As an officer, he participated in the Sicily, Anzio and southern France invasions.

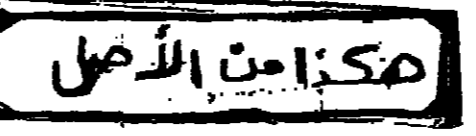
Platoons of young reporters aspiring to work abroad were put through the Jackson "boot camp."

"He was an educator; he shaped them," said Nate Polowetzky, AP foreign editor from 1973 to 1989.

Anti-Semitic Vandals Hit Slovak Cemetery

PRAGUE — Vandals overturned 121 gravestones at a Jewish cemetery in southern Slovakia, the Czech news agency CTK reported Wednesday.

The incident occurred in the town of Sahy near the Hungarian border.



# STATESIDE / MEDICAL CARE REFORM

## Lobby With a Catch: Pharmaceutical Firms Pull Levers

By Robert Pear  
New York Times Service

WASHINGTON — It looked like a consumer organization, and it seemed to spring up spontaneously to fight a provision of the pending budget bill that it said would condemn poor people to inferior medical care. The group, calling itself the Coalition for Equal Access to Medicines, is an unusual union of poor people, minority members and public health advocates, but it did not come together effortlessly. It was created and financed by another interest group, one with perhaps the biggest stake in the outcome: the prescription drug industry.

Members of Congress who follow drug issues said they were unaware of the industry's involvement in the coalition, which describes itself as "an ad hoc volunteer organization."

Public statements of the coalition, like its letters to Congress and the White House, give no clue to its origins. But its purpose is clear: to defeat a measure the federal government believes would help control Medicaid spending on prescription drugs.

The drug executive who inspired the coalition acknowledged in an interview that one reason the group was formed was the industry's belief that consumer advocates and minority members had far more credibility on Capitol Hill than drug companies.

President Bill Clinton and his wife, Hillary, have accused the drug industry of charging excessive prices. They warn that the industry will have to make financial sacrifices under the health plan the White House expects to propose this fall.

The drug executive, Richard D. Stone, vice president of the Pharmaceutical Manufacturers Association, the main trade group for prescription drug companies, said, "We don't want this to be looked at as a drug-industry issue alone because we have an obvious self-interest."

He said his association had organized the coalition with the help of a Washington lobbying firm, Apco Associates.

"We hired Apco Associates in May to help us generally with public relations and coalition-building," he said. "We told them to service this coalition, to staff it and to help them."

The "organizing committee" of the coalition includes officials from the National Deceptive and Sclerotic Society, the Lupus Foundation of America, the National Urban League, the National Council on the Aging, a Hispanic doctors' group in California and the National Rainbow Coalition.

## A Message From the Latest Polls: 'Show Us'

The Associated Press

WASHINGTON (AP) — Most Americans doubt that Clinton administration plans to overhaul the nation's health care system will lower their health care bills or improve the quality of care they receive, polls show.

The Washington Post-ABC News polls showed that many Americans are growing impatient with the administration's progress on health care but that most expect little if any substantial progress, according to the polls.

The surveys, published in Wednesday editions of The Post, found that 44 percent of Americans are angry about the way President Bill Clinton was handling health care, down from 56 percent two months ago. And 46 percent said Mr. Clinton was moving too slowly on the issue, while 23 percent thought he was going too fast.

According to the polls, 47 percent of Americans

expect minor improvements as a result of Mr. Clinton's efforts, 30 percent foresee no improvements and 17 percent are looking forward to major improvements.

Those polled were asked how satisfied they were with the cost and quality of the health care they received. Thirty-six percent said they were somewhat satisfied, 22 percent were not at all satisfied, 19 percent were not so satisfied and 19 percent were very satisfied.

The polls found that 56 percent of Americans believed they would pay more for health care under Mr. Clinton's plan and 25 percent believed they would pay less. Six percent said they would pay about the same amount.

The figures come from national telephone polls of 1,008 adults conducted June 25-29 and of 1,514 adults conducted June 25-28. The margin of error was plus or minus three percentage points.

Coalition members say they do not think they have been exploited. They say the cause is a good one: to ensure that low-income people in the Medicaid program are not denied access to medicine crucial to their health.

The group's aim is to kill provisions of the deficit-reduction bill that would encourage states to establish lists of approved Medicaid drugs. If a drug was not on the list, called a formulary, Medicaid would generally not pay for it.

Medicaid, a joint federal-state program, spends more than \$6.7 billion a year on drugs prescribed for people outside hospitals. The Congressional Budget Office estimates that formularies would save the federal government at least \$775 million over five years. States expect to save almost as much.

Mr. Stone calls the numbers "phony baloney."

The president proposed such formularies as part of his budget request to Congress in February. Formularies have been used by hospitals for more than a century. In theory, experts select the best, most effective drugs and exclude those that offer no significant therapeutic advantage.

Drug companies typically offer big discounts to get products listed on formularies. Under the Medicaid legislation, states could exclude an expensive brand-name product while covering similar, less costly brand-name drugs or generic versions of the same drug.

Critics such as Mr. Stone say formularies condemn poor people to inferior health care and do not save money in the long run because people denied appropriate drugs make greater use of hospitals, nursing homes and other costly services.

### POLITICAL NOTES

#### More Tax or Less Spending: Which is Better?

WASHINGTON — It has become the conservative mantra as Congress debates how to reduce the U.S. budget deficit. Raising taxes would damage the economy, while cutting government spending would energize it.

"Raising taxes will not reduce the deficit but will instead weaken a fragile economic recovery," declared Senator Conrad Burns, Republican of Montana, during the Senate debate on the deficit-reduction bill. "We should be cutting the spending first."

But many mainstream economists say the opposite is closer to the mark.

"The negative impact on the economy is greater from spending cuts than from tax increases," said Allen Stone, managing director of Lehman Brothers Inc.

Paul Samuelson, a Nobel laureate in economics, said, "The current cliffs are 180 degrees wrong."

The effort to cut the deficit is rooted in the belief that massive government borrowing tends to push up interest rates, increasing the cost of borrowing for everyone and dampening economic growth. But the tax increases and spending cuts employed to reduce the deficit dampen growth by taking money out of the economy. (WFP)

#### Nominee Finds Fault With Timid Lawmakers

WASHINGTON — Judge Ruth Bader Ginsburg, President Bill Clinton's nominee to the Supreme Court, says disputes over "judicial activism" arise when the courts are forced to resolve issues that lawmakers are too timid to handle.

In written answers to a questionnaire from the Senate Judiciary Committee, Judge Ginsburg said that judges who, for example, take over public school districts to enforce desegregation rulings or order mental hospitals to ensure patients' rights, do so with great reluctance.

"Had state and federal legislatures and administrators assumed the implementation burden," she wrote, "the managerial jobs the courts took on, generally with reluctance and misgivings, could have been avoided or at least substantially curtailed." (NYT)

#### Quote / Unquote

Les Hess, chief of Florida Criminal Intake Bureau in Orlando, arguing against reducing sentences for drug dealing: "If you guarantee that people won't go to jail, there's no threat. Dope is a terrible poison that they're passing off, and it's draining us." (WFP)

## U.S. Reviews Mandatory Drug Sentences

By William Booth  
Washington Post Service

MARIANNA, Fla. — During its ongoing war on drugs, the United States has taken a great

many prisoners, about 900 of whom are here serving 20- and 30-year sentences, a virtual lifetime of lifting weights, planting pines and making office furniture for federal bureaucrats.

From county jails to state penitentiaries to federal correctional institutions such as the well-manicured, medium-security facility here, the United States has never had more people incarcerated, or more inmates doing time for drug offenses. The question authorities now face is: Who are these people, and should all of them be in prison?

Attorney General Janet Reno has expressed growing concern that overcrowded state prison systems are releasing violent offenders, such as murderers and rapists, to make room for more nonviolent drug offenders.

Ms. Reno has requested a review of stiff mandatory sentences for federal drug offenders, including life imprisonment for growing marijuana. Her appeal comes as an increasing number of federal judges are refusing to hear narcotics cases because of frustration about the severity of strict sentencing guidelines.

Nowhere are the effects of the war on drugs as evident as in federal prisons. While some federal facilities were closed during the 1970s for lack of inmates, the system is severely overcrowded now.

"A few years ago, the country

was concerned about the drug epidemic," said Joe Class, warden of the Marianna Federal Correctional Institution. "So basically, what you have here is the result of our efforts to control that epidemic."

The Marianna facility is typical. Three-fourths of the 1,200 inmates are here for drug offenses. The \$45 million prison, completed in 1988 became overcrowded in 1990 when its 803-prisoner capacity was exceeded.

In the federal prison system, two-thirds of the inmates broke drug laws, compared with one in 10 jailed for armed robbery and one in 100 for white-collar crime.

About one-third of state prison inmates are drug offenders, and that number is growing, as more states feel the effects of their own mandatory drug sentences.

"We're locking up drug offenders for much longer terms than we put away armed robbers, rapists and murderers," said Todd Clear, a professor of criminal justice at Rutgers University in New Jersey. "I don't think you will find anybody who can explain why that is a good idea."

But others said that if penalties are reduced drug selling may become even more common.

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PREPARATIONS IN A HAITIAN EMBARGO — A Haitian guiding a coffin through a tangle of cars waiting at a Port-au-Prince service station, one of many outlets trying to survive through the United Nations-imposed embargo by rationing gasoline supplies.

## Foreign Tourists as Key New U.S. Import

### 46.5 Million, Unfazed by Crime News, Expected This Year

By Edwin McDowell  
New York Times Service

NEW YORK — The largest invasion of foreigners in American history is unfolding across the United States, and it is being welcomed almost everywhere. The invaders are tourists.

Even bad news — the murders of tourists in Miami and the terrorist bombing of New York's World Trade Center — has not stemmed the flow. Although foreigners may have changed itineraries to avoid what they consider trouble spots, travel officials say they are not staying away.

The size of the influx — a record 46.5 million expected this year — is driven in part by the strength of the Japanese yen, the British pound, the German mark and other foreign currencies relative to the dollar, making the United States an inexpensive destination. These travelers are expected to spend about \$76.9 billion, another record.

Visitors are also responding to the growing numbers of promotions in their countries from American tour operators, airlines and hotels.

In addition, individual states and cities are opening sales and tourist offices abroad. The Nashville, Tennessee, airport and the Memphis and Nashville convention and visitors bureaus, for example, recently joined the privately owned Opryland Hotel in Nashville and Graceland, Elvis Presley's home in Memphis, in opening a London office.

All this effort has been paying dividends for several years. The number of foreign visitors has exceeded the previous year's total each year since the late 1980s, and a further gain is being projected for next year as well.

The estimates come from the U.S. Travel Data Center, a Washington-based nonprofit organization that tracks the travel industry.

And for the first time, according to the Commerce Department, the total number of overseas visitors to the United States — an estimated 19.5 million from every part of the world except North America — will exceed the total visitors from Canada, and by a margin of 1 million.

The result is not only a huge multicultural interchange, it is also an economic bonanza at a time that the Travel Industry Association predicts domestic travel will be flat for the rest of the decade.

Last week the accounting firm of Coopers & Lybrand said that almost 1 of every 10 hotel rooms in the United States each night was rented to a visitor from overseas and projected that this would rise to almost 1 in 7 by 1995.

Many foreign visitors need little urging to come. They are here on return trips, intent on catching up on what they missed.

"The last time we were here, we drove 5,000 miles in three weeks, but we didn't get to the West," said Roberta Smithies of London, speaking recently from Buffalo, Bill's Museum

in North Platte, Nebraska, about the 8,000-kilometer journey.

This time she and a friend are spending most of their three weeks in Nebraska, Arizona, New Mexico and Texas. "We saw all the John Wayne movies, and when people ask why we came here, we tell them: 'When you think of America, you think of the West.'"

In recent days many Italian tourists have been visiting Niagara Falls and Spanish tourists have panned for gold in Doolen, Georgia, a tiny town near the Appalachian Trail.

Tourists from as far away as Malaysia turned up at Graceland, while tourists from more than 30 countries have journeyed to Hope, Arkansas, to see the boyhood homes of President Bill Clinton.

"For some reason," Paul G. Henley, Hope's director of tourism, said, "the Japanese have no interest in going to the cemetery where his father is buried. They just want to see the two houses where the president lived."

The biggest contingent of foreigners for any three-month period is expected to arrive this

summer, but from New England to Washington state, foreign visitors are helping to extend tourist seasons during other times of the year, too.

"The last few years we've seen more foreign tourists in the winter than we ever have," said Jane Gillespie, sales director of Grand Canyon National Park Lodges.

Even during the summer, overseas visitors account for more than a third of the guests at the lodges, where rooms must be booked months in advance.

Similarly, although Americans do not usually consider Miami a summer vacation spot, it has become one for increasing numbers of tourists from Russia and the Ukraine.

"We have two seasons here in Florida: hot and really hot," said Alexei N. Mesyatov, the executive vice president of Rahim Tours of Lake Worth, Florida, which brings in many tourists from the former Soviet republics. "But the hotter the better for our tour members — especially the ones from Siberia."

To attract foreign tourists, hotels and restaurants are becoming more international. Restaurants are changing not only the languages in which restaurant menus are written but also the cuisine they serve.

Many hotels have bilingual desk clerks, and some offer telephone lines solely for assistance in foreign languages. Most print fire instructions and other emergency procedures in more than one language.

Theme parks and attractions, like Parrot Jungle and Gardens in Miami, routinely print brochures in several languages, while the new international terminal at O'Hare Airport in Chicago has signs in 17 languages as diverse as Arabic and Chinese, advising passengers of delays or telling them to have passports ready.

Gray Line tours from Manhattan to Niagara Falls are offered with guides who speak French, German, Italian, Spanish and Japanese.

Overseas visitors spend six times more per capita in the United States than American tourists spend, according to the U.S. Travel and Tourism Administration. Their average stay of slightly less than three weeks is five times longer than the average American vacation.

The 3.7 million visitors from Japan spent the most here last year, an estimated \$13.8 billion — \$10 billion more than American visitors spent in Japan.

Almost 4 million Japanese are expected this year, and travel industry officials say a lackluster economy at home does not seem to have curtailed their free-spending ways abroad.

Many Japanese tourists travel on the Delta Queen or Mississippi Queen, the paddlewheel steamboats that ply the Mississippi and several other inland rivers.

"They read Mark Twain, so the river trip seems to embody what they envision America should be," said Terry Westfield, a spokeswoman for Delta Queen Steamboat Co.

Los Angeles continues to suffer a drop in Japanese and other Asian visitors because of last year's riots.

"This year looks better than last year, when nobody wanted to come here because of the riot," said Shigemi Kitta, tour operations director of Alfa Tour in Los Angeles. "But the number of visitors is still lower than we expected."

Several Florida cities sent tourist officials to Germany to try to overcome the negative impact of the murder of a German tourist in Miami and, for whatever reason, more German tourists are visiting Fort Lauderdale than ever — possibly in part at the expense of Miami.

"We went from 5 charter flights a week from Germany last year to 11 this year," said Francine Mason, a spokeswoman for Fort Lauderdale's tourist bureau. "About 41,000 of our 1 million visitors this summer will be from Germany."

Foreign visitors are also flooding into New York, where a total of 15 suspects have been arrested in connection with the World Trade Center bombing, which killed six people, and a reported plot to bomb the United Nations and other city sites, including two Hudson River traffic tunnels.

### How to make an international call without Sprint Express.

- Get your hands on some of the local currency. But be aware the large bills won't fit in your tiny American wallet.
- Get some change to use in that interesting-looking phone booth on the corner.
- Push your foreign language phrases on a card and use it for the phone call. (It's right after how to say "We have lost our luggage" and "Stop, thief!")
- Look for the number of the party you're trying to call. Get ready to tell them how nice you are and how your trip has been so far.
- Back at the hotel, ask to see your bill. Notice that first night's calls to Frankfurt, Toronto have cost you a week's pay. Rather than get an angry call, it's well worth the effort and you'll look for a better way next time.

### How to make an international call with Sprint Express.

It's easy to use Sprint Express® 24 hours a day to call a foreign country when you're already in one. Just tell the English-speaking operator how you want the call billed to your Sprint WorldTraveler FINDER card, or collect to the U.S. Enjoy your calls, knowing you're paying low international rates. Then, tear out the listings found below and keep them handy. Unless you have a lot of time to kill, that is.

To order your free WorldTraveler FINDER, dial the Sprint Access Number of the country you're in, or call collect to the U.S. at 402-390-8083. In the U.S., call 1-800-425-3642.

Country	Area Code	Number	Country	Area Code	Number
Algeria	001	213-21	France	001	33-1
Argentina	001	54-1	Germany	001	49-30
Australia	001	61-6	Great Britain	001	44-1
Brazil	001	55-11	Italy	001	39-6
Canada	001	1-1	Japan	001	81-3
China	001	86-10	South Korea	001	82-2
Denmark	001	45-33	Taiwan	001	886-2
France	001	33-1	Thailand	001	66-1
Germany	001	49-30	USA	001	1-1
Greece	001	30-1	USSR	001	7-7
India	001	91-11	West Germany	001	49-69
Indonesia	001	62-6	Yugoslavia	001	381-11
Italy	001	39-6			
Japan	001	81-3			
Malaysia	001	60-3			
Philippines	001	63-3			
Russia	001	7-7			
South Korea	001	82-2			
Taiwan	001	886-2			
Thailand	001	66-1			
USA	001	1-1			
USSR	001	7-7			
West Germany	001	49-69			
Yugoslavia	001	381-11			

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Herald INTERNATIONAL Tribune

Published With The New York Times and The Washington Post

They're Looking for Jobs

Governments used to think that they knew how to create jobs and get the unemployment rates down. Now they are not so sure, and among the industrial democracies their uncertainty is feeding the unpopularity that has overtaken the political leadership in most of them.

An End to Nuclear Testing

For nearly half a century, test explosions in the Nevada desert were a reverberating reminder of Cold War insecurity. Now the biggest worry is nuclear proliferation, not the Soviet threat.

Other Comment

The Ugly Faces of Tribalism
As the new tribalism develops in Europe, it is necessary to move away from the euphemisms and platitudes that have gathered predictably around it and see it for what it is.

Vietnam Must Do More
Vietnam still haunts the American soul. To help put the experience firmly behind us, the Clinton administration is initiating a policy change on Vietnam.



The Group of Seven Needs the Developing World

NEW YORK — It is a wild optimist who believes that this week's Group of Seven summit in Tokyo will make much of a difference to the dismal outlook for the economies of the industrial world.

Look at Ways to Make Aid to Russia Pay for Itself

NEW YORK — High on the agenda of the Group of Seven meeting in Tokyo is the question of how much assistance the United States and the rest of the West can realistically provide to Russia.

The World Needs a Policy for Orderly Migration

GENEVA — Many Western nations feel besieged by migrants knocking on their doors and landing illegally on their shores. Unprecedented numbers of asylum seekers are clogging the political machinery that was intended to help them.

Help Get The Facts To Serbs

By Slobodan Pavlovic
WASHINGTON — One can hardly recognize Serbia today. War in the neighborhood, Al. Home, destroyed economy, hyperinflation, misery, starvation, rising crime, despair. Abroad, economic, diplomatic, cultural and moral isolation.

International Herald Tribune
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
RICHARD McCLEAN, Publisher & Chief Executive
JOHN VINOCUR, Executive Editor & Vice President

IN OUR PAGES: 100, 75 AND 50 YEARS AGO
1893: A Royal Tragedy
BRUSSELS — A young Polish lady committed suicide and has been buried secretly after an unfortunate love affair with an exiled French Prince, Mlle. Wanda de Kaszyce, 27, who belonged to a noble family, resided at 345 avenue Louise.

هكذا من الأصل

OPINION

Political Turmoil in Japan Gives Clinton an Opening

By Karel van Wolferen  
This is the first of two articles.

TOKYO — While President Bill Clinton is here for the economic summit meeting, he could benefit America, Japan and the rest of the world by grasping an ideal opportunity to begin to create a genuine policy toward Japan.

He has been told that this is no time to be ambitious, for Japan's political crisis has weakened the government's ability to initiate solutions to bilateral problems and to assume an international political leadership role. That is bad advice.

The summit host, Kiichi Miyazawa, may be a lame-duck prime minister, but this is not exceptional. For all practical purposes, Japanese prime ministers have been lame ducks since the late 1960s.

The turmoil in Japanese party politics makes it possible for Mr. Clinton to tackle that problem. The prime minister's powerlessness is a primary symptom of the key flaw in governance that lies at the heart of Japan's growing economic conflicts with the rest of the world: the lack of a center of political accountability.

President Clinton has a timely opportunity to drive this lesson home to the Japanese people and to the world. More is at stake than the troubled U.S.-Japan relationship, for the very rapid economic growth and new economic alliances in East Asia are altering global strategic reality.

Half-way measures that lie between remaining idle and developing a sensible policy toward Japan would ultimately cause America to lose control over the formidable forces that will be taking shape, such as the superpower relations between China and Japan.

growth. This has deprived foreign governments, most poignantly the one in Washington, of means effectively to discuss and decide matters of mutual concern and disagreement.

The "1955 System" has been detrimental not only to foreign interests but to those of the Japanese, for it provided a democratic facade for a successful form of bureaucratic authoritarianism that has been fundamentally xenophobic.

The "1993 System" that may emerge after the July 18 elections to the lower house could change the character of the rubber-stamp parliament. While the situation is murky, it is conceivable that the main reformists who have caused the turmoil and are ambitious to regain some control over national decision-making will be allowed to form a coalition government.

They include Tsutomu Hata and Ichiro Ozawa, who has indicated readiness to apply their considerable political maneuvering skills to gain some leverage over bureaucratic decision-making.

They were elbowed aside in the Liberal Democratic Party after the political defeat last fall of their protector, Shin Kanemaru, the main figure in the latest political corruption scandal.

An earlier reformist, Morihiro Hosokawa, whose one-year-old Japan New Party has had considerable success in local elections, also understands that Japan needs political direction by elected



representatives of the people. Similar thinking has moved the politically astute Satsuki Eda, who leads a group of break-away Socialists.

They routinely engage in heavy self-censorship and work within a century-old tradition of denigrating the motives and moral character of politicians, questioning the legitimacy of open political conflict and protecting the bureaucracy.

creation of the media, and it is often a great variance with privately expressed opinions of individual Japanese.

They Can Go Home Again And in Huecorio They Do

By Richard Critchfield

HUECORIO, Mexico — Mexicans call it the *reconquista*, the reconquest of Texas, California and other parts of the Southwest lost to the United States in 1838-53. Most of the illegal immigrants now pouring into the United States, nearly 1.5 million each year, sneak across that long border.

July 24 million of the 258 million Americans today are Hispanic, 80 percent of them Mexicans. They make up a third of greater Los Angeles and a majority in California towns like Fresno.

silver replicas of hearts, eyes, legs, arms, even cows and horses to the purple robe of a life-size, blood-streaked Jesus. Alive or dead, all Huecorio's people return.

Mario, 64, five years as a construction worker in Los Angeles, a union member, he gets \$800 a month in pension, plus \$700 in social security and what he makes from his cows, pigs and 4 hectares (10 acres). August, 61, gets no such benefits from his eight years as a fruit-picker in Michigan, Arkansas and Texas. His four boys are roofers and gardeners in Los Angeles. Like most of Huecorio's younger generation, they see the advantage in getting papers and staying in one place.

What makes Mexicans different from previous waves of immigrants to the United States is that they can go home again. And virtually all do, keeping close ties with relatives in Mexico's 96,000 villages. If they hang on to their language and distinctive part-Spanish, part-Indian culture, they will someday make the United States more Latino than Anglo.

Mexico is changing fast. Its birth rate has been halved in 20 years, and per-capita income, at \$2,870, surpasses the East European countries. It is practically as urban as the United States — 71 percent of its 90 million people live in towns and cities, as 75 percent of Americans do.

The Economist of London, while declaring that Mexico was poised to become a rich, modern nation, said that even this level was too much: "To have nearly one-third of the population living in rural areas is simply not sustainable if the country is to live up to its aspirations.

Perhaps, but no substitute for the rural base of urban culture has been invented. If Mexico is to retain what the New York Times reporter Alan Riding calls its "real strength and stability" — its "ordinary Mexicans who preserve family and community traditions, whose material expectations remain secondary to their spiritual aspirations" — it must keep enough people in its villages.

NAFTA is unlikely to stem the tide of migration because the extended village social networks that supply jobs and housing are too large. Mexican stills act out their lives in terms of families and communities. The social network of a village like Huecorio extends over thousands of miles by buses, trains, planes, telephones, faxes, money orders and mail.

A few men abandon wives and children back in their villages. And Latino youth gangs in Los Angeles are no more exempt than blacks from the ghetto culture of defiance, as more women work and migrant children get their culture from school, one another or television.

LETTERS TO THE EDITOR

Cutting the Gordian Knot

Instead of intervening primarily in Bosnia, we should "go to the source" — the regimes of Slobodan Milosevic in Serbia and Franjo Tudjman in Croatia.

The United States should reciprocate by arresting "its" bad guy, Mr. Tudjman. Early free elections would then be jointly announced, along with interim governments of reconciliation in Serbia and Croatia.

Enough Is Enough

Regarding "The Presidential Job Is to Change a Balky System" (Opinion, June 17) by Jim Hoagland:

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Norman Mailer Project: One Picasso Book Too Many?

By Sarah Lyall  
New York Times Service

NEW YORK — Norman Mailer has long been fascinated by Pablo Picasso, and so it seemed like a natural fit when the renowned author set out, he says, to write a biography of the renowned artist for his editor at Random House, Jason Epstein.

ardson, who is working on a four-volume series on Picasso, Richardson's exhaustive dissection of the artist's early years, "A Life of Picasso: Volume 1, 1881-1906," achieved both critical and commercial success several years ago.

Mailer, forced to excise large chunks of material from his book, took the manuscript to Nan A. Talese at Doubleday. Talese said she thought Richardson was, at the very least, overreacting.

Richardson said he planned to take the second volume in his planned set to another Random House editor and Mailer said he would continue to publish other books with Random House.

BOOKS

THE PEOPLE VS. CLARENCE DARROW: The Bribery Trial of America's Greatest Lawyer

By Geoffrey Cowan. Illustrated. 346 pages. \$27.50. Times Books.

Reviewed by Herbert Mitgang

READING Geoffrey Cowan's well-researched account of the personal trials of Clarence Darrow calls to mind some lighthearted lines by Carl Sandburg in his Whitmanesque poem to Americans, "The People, Yes."

break the International Typographical Union. In the sensational act of industrial violence against the building, 20 men were killed.

him and his vast circle of supporters, including his wife and mistress, celebrated his victory against the weight of evidence.

and still ahead for Darrow was his defense of Richard Loeb and Nathan Leopold in 1924 for their so-called thrill killing and his defense of John T. Scopes in 1925 for teaching evolution in the public schools.

WHAT THEY'RE READING
The Reverend Leslie Bryan, the Anglican chaplain of the British Infantry Brigade in Berlin, is reading "The Church in the Market Place" by George Carey, the Archbishop of Canterbury.

BRIDGE

By Alan Truscott

PLAYOFFS to determine the 1993 United States teams for world championship play in Chile in September began in New York June 23. After 16 deals in the open series, the Reisinger team, including David Berkowitz, Larry Cohen and Sam Lev from New York, were exactly tied with the Vanderbilt team, which includes Neil Chambers of Schenectady, New York.

for the Vanderbilt team, showed either both major suits or a preemptive bid in a minor suit. The two no-trump responses by Roger Bates, East, sought enlightenment, but South got in the way and the spade fit was never uncovered.

North and South were vulnerable. The bidding: West North East South 2 Pass 3 Pass 4 Pass 5 Pass 6 Pass 7 Pass 8 Pass 9 Pass 10 Pass 11 Pass 12 Pass 13 Pass 14 Pass 15 Pass 16 Pass 17 Pass 18 Pass 19 Pass 20 Pass 21 Pass 22 Pass 23 Pass 24 Pass 25 Pass 26 Pass 27 Pass 28 Pass 29 Pass 30 Pass 31 Pass 32 Pass 33 Pass 34 Pass 35 Pass 36 Pass 37 Pass 38 Pass 39 Pass 40 Pass 41 Pass 42 Pass 43 Pass 44 Pass 45 Pass 46 Pass 47 Pass 48 Pass 49 Pass 50 Pass 51 Pass 52 Pass 53 Pass 54 Pass 55 Pass 56 Pass 57 Pass 58 Pass 59 Pass 60 Pass 61 Pass 62 Pass 63 Pass 64 Pass 65 Pass 66 Pass 67 Pass 68 Pass 69 Pass 70 Pass 71 Pass 72 Pass 73 Pass 74 Pass 75 Pass 76 Pass 77 Pass 78 Pass 79 Pass 80 Pass 81 Pass 82 Pass 83 Pass 84 Pass 85 Pass 86 Pass 87 Pass 88 Pass 89 Pass 90 Pass 91 Pass 92 Pass 93 Pass 94 Pass 95 Pass 96 Pass 97 Pass 98 Pass 99 Pass 100 Pass

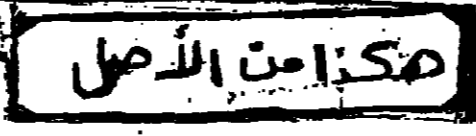
The partners of Coudert Frères announce with great sorrow the death of their senior partner on July 3, 1993 in Paris.

CHARLES TOREM

Amherst College, 1935  
Harvard Law School, 1938  
Commandeur de la Légion d'Honneur

Charles Torem was the father in modern times of Coudert Frères in Paris and a driving force in the establishment of Coudert Brothers as a global law firm. He practiced with our firm in Paris for forty-seven years and was the American pioneer of international law practice in postwar Europe. He left an indelible mark on all those with whom he was associated.

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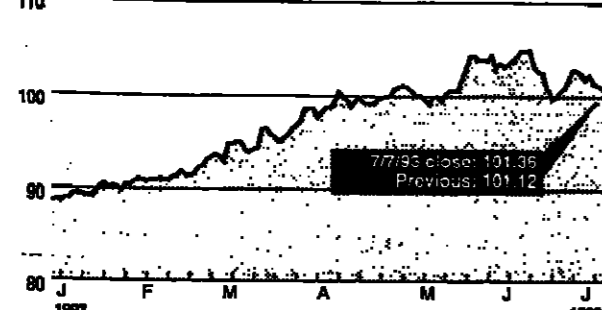






## THE TRIB INDEX: 101.36

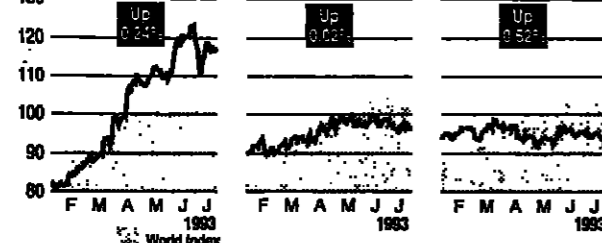
International Herald Tribune World Stock Index, composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

### Asia/Pacific Europe N. America

Approx. weighting: 25% 40% 35%



### Industrial Sectors

Sector	1992	1993	% change	Sector	1992	1993	% change
Energy	100.46	100.43	+0.03	Capital Goods	97.44	97.37	+0.07
Utilities	106.74	106.81	+0.12	Raw Materials	99.19	96.76	+0.44
Finance	110.22	108.82	+0.36	Consumer Goods	85.55	85.25	+0.35
Services	110.02	109.89	+0.12	Miscellaneous	101.67	102.26	-0.58

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to: Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

## Lufthansa Sees Loss For Year

Compiled by Our Staff From Dispatches

**HAMBURG** — Deutsche Lufthansa AG said Wednesday it expected to break even in the second quarter, but executives of the state-controlled German airline said at the annual meeting in Hamburg it was still likely to have a third consecutive annual loss in 1993.

Meanwhile, Air France's president, Bernard Attali, said on French radio that more job cuts are likely at that carrier.

At the Lufthansa meeting, the management board chairman, Jürgen Weber, said favorable results in May and June should lead to a break-even second quarter. But the carrier would have to intensify its restructuring efforts to return to full-year profitability by 1994, he said. Among the things it was considering doing, he said, were to create a holding company and to move some of the company's operations out of Germany to reduce costs. He did not elaborate.

Mr. Weber said Lufthansa still appeared likely to reach its business goals for this year. He said he expected the company to halve its operating loss and to post a loss after extraordinary items of about 200 million Deutsche marks (\$117.3 million).

In May, Lufthansa reported a group net loss of 391 million DM for 1992. It had a 426 million DM deficit in 1991.

Mr. Weber said Lufthansa also urgently needed to raise capital next year to boost its ratio of equity to assets from the current 18 percent, "significantly lower" than the average for German industry.

He said there continued to be a problem with the air-traffic agreement between Germany and the United States, which gives American carriers unrestricted access to German air space but limits Lufthansa to about 12 U.S. destinations. Lufthansa has been calling on the Bonn government to renegotiate the agreement.

At Air France, Mr. Attali said the carrier already had reduced its senior manager ranks by 16 percent and its operational staff by 10 percent but that further cuts were unfortunately quite likely.

The airline had frozen pay rates and revised working hours to increase productivity, but these measures had not been sufficient in

## Kmart's Consumerist Line Working on East European Attitudes

By Jane Perlez  
New York Times Service

**PRAGUE** — Ludmila Buchovako, a seasoned saleswoman in this city's biggest department store, looked slightly miffed as she stood amid the baseball caps, track suits and exercise machines of Eastern Europe's first Kmart.

Indeed, she had removed the Kmart badge with the slogan "I'm Here for You" from her new red sales pinaflore and hidden it in her pocket.

"It offends me," Mrs. Buchovako said of the slogan. "People can interpret it anyway they want; it looks as though I'm here not just for business but for the amusement of certain customers." In the West, the slogan may be accepted as a sign of friendliness to shoppers, but here, she feared, it is seen as an invitation to sexual harassment.

Mrs. Buchovako's resistance to modern merchandising is one of the challenges that America's second-biggest retailer is encountering as it embarks on the first effort by a major U.S. chain to revolutionize shopping in the former communist bloc.

Reckoning an era of rapid expansion had ended in the United States, Kmart sought a chain in Eastern Europe to help maintain its sales growth. Last year, the discount retailer bought 13 of the best stores in the Czechoslovak government's Prior chain. Czechoslovakia split into the Czech Republic and Slovakia in January, leaving Kmart with stores in two countries.

The price tag for the stores, including renovation of the drab, multistory buildings, will total \$120 million, said Don G. MacNeill, Kmart's managing director for Eastern Europe, who until last year headed the region for Levi Strauss & Co., the San Francisco-based apparel maker.

Kmart's biggest store is in Bratislava, the Slovak capital. Its \$40 million in sales last year topped that of any of the more than 2,400 Kmarts in the United States. Mr. MacNeill said. But the Bratislava store was, of course, unprofitable, with its huge inefficiencies, high costs and low margins.

Turning a profit will mean turning the old communist way of selling upside down, Mr. MacNeill said.

Local manufacturers have to be persuaded to produce and ship to suit the retailers' needs, not the factories. Stores have to be renovated. Surly service is being transformed — slowly — into friendly help. Shopping hours are being lengthened on Thursdays and Saturdays.

One of the most difficult changes has been in changing the relationship between customer and sales clerk. Shaping new customs requires changes in personal attitudes and behavior. For Mrs. Buchovako was not the only unversed sales clerk.

"It was better before," said Adamkova Jitka, 19, who has worked in the Prague store for two years.

### The American discount retailer's aim in Prague and Bratislava is ambitious: To revolutionize shopping after 40 years of communism.

"I'm in the sports department, but people ask about other things, like sleeping bags.

For most sales clerks, the "concept of the customer" is difficult, Mr. MacNeill said. "The staff understand it, but they don't naturally do it. Our local staff has a high level of education and intelligence. They have just been living for 40 years in socialism, which means people don't have a consumer attitude — either as a consumer or as salespeople."

Many Western companies doing business in Eastern Europe refuse to hire people older than 40 on the theory that they will not be able to change their habits.

To promote motivated workers to the ranks of middle management, Kmart gave psychological tests that screened candidates for leadership qualities, organizational skills and adaptability.

Mr. MacNeill said he was surprised that as

See KMART, Page 13

## EC Threatens To Penalize Italy In Steel Dispute

Compiled by Our Staff From Dispatches

**BRUSSELS** — The EC Commission threatened Wednesday to act against Italy unless the government agrees to cut subsidies to its state-run steel industry.

The European Community's executive had to take a tough stance because Italy's refusal to cut subsidies jeopardizes a plan to revive the Community's ailing steel industry, said Karel van Miert, the commissioner for competition policy.

He said the commission could, as a last resort, reduce aid payments to Italy and authorize other EC nations to put import duties on Italian products if Rome continued to endanger the steel plan. Such action would require two-thirds backing of the 12 EC governments.

"The whole thing could fall apart; that is why we are ringing this alarm bell," Mr. van Miert said.

Alternatively, the commission might consider taking the Italian government to the European Court of Justice. The commission would ask the court to force the state-run steelmaker Iliava SpA to pay back its debt to the Italian state.

The unusual action against Italy could be avoided, Mr. van Miert said, if Rome drops a plan worth 4 billion European currency units (\$4.6 billion) to aid Iliava, or if it links aid to capacity reductions.

Italy's government asserts that its plan to help Iliava by taking on the steelmaker's debts does not consti-

tute a subsidy. But the commission rejected that argument Wednesday.

In Italy, an Iliava spokesman said that the Community's position "might even lead eventually to the liquidation of the company."

Iliava's president, Hayao Nakamura, has argued that inefficiency, not excess output, is the root of the company's problems, and he has launched a program to switch out of some sectors and invest more in others. The debt write-offs are key to this restructuring, he contends.

Dism prospects of agreement caused EC industry ministers to postpone their scheduled July 26 meeting to discuss a plan to slash overcapacity in the steel industry.

Commission officials consider the plan vital for pulling the industry from a crisis caused by weak demand, depressed prices and competition from cheaper, non-Community producers.

The commission wants to cut 30 million tons from the industry's 190-million-ton capacity by the end of 1994. The Community and its member governments have offered 900 million Euro to companies to cover the costs.

To qualify for funding, steelmakers should present their capacity-cutting proposals by Oct. 1. The restructuring is expected to eliminate between 50,000 and 100,000 of the industry's 370,000 jobs.

Spain is also in conflict with the Community over funding to state steel companies. And Germany is asking the commission to allow state aid to steel mills in the former East Germany. But Mr. van Miert said neither case was as serious as the dispute with Italy.

The industry ministers' meeting has been rescheduled for Sept. 21. Mr. van Miert warned that if member governments did not reach agreement then the credibility of steel plan could be undermined, leading to a damaging battle over state aid among EC member states.

In Germany, Economics Minister Günter Rexrodt welcomed the commission's stance on Iliava. "It is unacceptable that highly subsidized enterprises retain their capacity intact and with the help of state subsidies force non-subsidized enterprises from the market," he said.

(AP, Reuters, Bloomberg)

## INTERNATIONAL MANAGER

### Did You Hear the One About Phil the Broker?

By Barbara Lyne  
New York Times Service

**NEW YORK** — Do you know this man? He hopes not, because if too many people know him he's out of work, despite credentials that would make an executive recruiter jump. In 40 short years, Harry Freedman, MD, PhD, JD, has been a doctor, a consultant, a top stockbroker and a motivational speaker. He has been described as an expert in worker safety, bank regulation, health care and stock forecasting.

Harry Freedman is also an utter fraud. His entire resume is a fabrication.

So just who is this man who has addressed top executives at Smithline Beecham, Kidder Peabody, Price Waterhouse, Dun & Bradstreet, Tucker Anthony, Philip Morris and a host of other top American companies?

### Harry Freedman makes top executives squirm and laugh.

Harry Freedman's true resume reads: stand-up comedian. Period.

He will gladly pose, though, as just about anything you want. And dozens of corporations have asked him to do just that — to play, for example, an industry expert or a newly hired executive with off-the-wall theories.

They do it not just to bring humor to annual meetings or conventions after days of tedious seminars, but also to spoof their own top executives, to break down barriers and make themselves seem more accessible.

Those were Robert Meltzer's reasons. Mr. Meltzer, executive vice president at Dun & Bradstreet Information Services, hired Mr. Freedman to play the role of an outside consultant for a dinner for his group's officers and their spouses.

"I asked him to start out by roasting me and then to take on the people who report directly to me," Mr. Meltzer said. "It is a very, very effective way of bringing the senior people in the company down to the level of everyone else."

It was a bit painful, he said, since his secretary had given the comedian all sorts of information about him. "But it made me seem more approachable, and I have to admit, he got our foibles down perfectly," Mr. Meltzer said.

The first few minutes of Mr. Freedman's routines — the moments when he plays everything straight, before anyone catches on — are never comfortable. At his first outrageous statement, there are usually spasms of sideways glances, perhaps a muffled chuckle

See HARRY, Page 13

## Northwest Puts Off Bankruptcy Filing

Compiled by Our Staff From Dispatches

**MINNEAPOLIS** — Transportation Secretary Federico Peña said Wednesday that Northwest Airlines would postpone a bankruptcy filing while its unions decide whether to approve a concessions package.

Mr. Peña met with the president of Northwest, John Daburg, and labor leaders in Washington a day after pilots agreed to shoulder part of the \$886 million concessions package. The Machinists and Teamsters unions also must sign on.

"At this point, all I have attempted to do is to give the parties a little more time to continue their discussions," Mr. Peña said. Asked how long Northwest would hold off on petition for protection from its creditors under Chapter 11

of the U.S. Bankruptcy Code, he said, "There is not a lot of time."

"We will be meeting beginning immediately," Mr. Daburg said.

The company has put forward a concessions package aimed at keeping the financially troubled carrier from bankruptcy. On Tuesday the Air Line Pilots Association agreed to \$365 million in cuts for their members after weeks of negotiations.

Northwest, the fourth-largest U.S. carrier, said the deal with pilots was part of a global agreement to restructure \$1.5 billion in bank debts and establish more favorable terms for its reimbursement of \$800 million owed to suppliers.

If the remaining unions ratify the agreement, the employees would get three seats on the 15-

member board, up to 37.5 percent of the company's common stock and more input in day-to-day operations.

Opinions differed over how similar the package is to one already rejected by the Machinists. "The devil is in the details," a spokesman for the pilots, Curt Kruse, said Tuesday night. "We know we significantly improved the deal over what the Machinists rejected. This is much better for the employees."

But earlier in the day, John Massetti, the Machinists secretary-treasurer, said the agreement was similar and questioned whether it would go before the rank and file again.

The Teamsters union, which represents flight attendants, characterized the plan favorably.

(AP, AFP)

## Gold Drives Close To \$400 an Ounce

Compiled by Our Staff From Dispatches

**NEW YORK** — Gold mounted an assault on \$400 an ounce on Wednesday, propelled by speculative buying by U.S. investment funds.

The dollar gained ground against all major currencies except the yen in a quiet day for the foreign-exchange market. Traders were awaiting the outcome of the Group of Seven meeting in Tokyo.

In New York, the July futures contract for gold on the Commodities Exchange closed at \$397.00 an ounce, up \$4.70 an ounce. It was also higher than London's afternoon fix of \$395.80.

July silver in New York edged up four-tenths of a cent to \$5.10 an ounce. Platinum futures for July delivery rose \$2.80, to \$409.20.

Analysts, however, cautioned the scope was limited for further near-term gains in the gold price. "We've almost reached our target of \$410 and I think from the high of \$399 we should retrace back to \$388 to build a good base before the last leg up

to \$410 over the next month," said Christian Bado, technical analyst at Swiss Bank Corp. in Geneva.

In the longer term, there is still some optimism that gold's gains can be extended. "I think gold is going up from here but it's high risk," said Brian Marber of Brian Marber & Co. in London.

He expects stiff resistance at \$398 and then at \$409. "Once you get through that, if you do, my guess would be \$415 to \$423, the 1990 highs," added Mr. Marber. "But if it backs off from the resistance by 3 percent, then it could react all the way down to around \$374, and then about \$363," he said.

Mr. Bado, who uses Elliott Wave analysis, has a similar long-term target on the upside. Once \$410 is reached he thinks gold could dip to \$380 and then step up to the \$425-\$430 area.

Elliott Wave analysis is based on the idea that prices tend to move in five waves in one direction and then have a three-wave correction.

Analysts say the charts for

See GOLD, Page 12



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MARKET DIARY

Stocks Rise as Fears Of Inflation Wane

Bloomberg Business News NEW YORK — Stocks gained Wednesday on the New York Stock Exchange as the Commodity Research Bureau's price index declined and inflation jitters eased.

Stock and bond prices tumbled Tuesday as the Commodity Research Bureau's index, an inflation gauge, jumped to a 21-month high.

The Dow Jones Industrial Average, which sank 34 points Tuesday, advanced 25.74, to 3,475.87, ending a five-session streak of losses that started June 28. The average's gain

was led by shares of Caterpillar Inc. and Sears, Roebuck & Co. "The CRB declined and that alleviated some of the overhanging concern about inflation," said Edward Collins, executive vice president of institutional trading at Daiwa Securities America. "But I'm not sure how long it's going to last."

A plunge in Microsoft Corp. shares triggered by a Goldman Sachs & Co. analyst raising concern about potential product delays — depressed prices in the Nasdaq market. The Nasdaq composite index fell 3.43, to 698.79.

Microsoft accounted for much of the index's decline. The stock slumped 2 1/2 to 8 3/4 after the Goldman Sachs analyst, Richard Sherrard, said delays in the new Word word-processing and Excel spreadsheet software programs may clip earnings this year.

The Dow Jones transportation average, skidding for a second

Sunshine Mining was the most active New York Stock Exchange issue, unchanged at 3/4. Many mining companies have been active in recent days, with sharp rises in precious metals increasing interest in the sector.

Westinghouse was second, up 1/4 at 17. It was followed by YPF, the energy company being privatized by Argentina, up 1/4 at 20 1/2.

The news coincided with a cut in German interest rates, a move followed by other European nations. This was seen as being bullish for gold.

GOLD: Climbing Near to \$400

Continued from Page 11 other precious metals are very similar to gold.

The dollar rose Wednesday in New York against most major foreign currencies, but slipped against the Japanese yen as news was digested from the G-7 meetings.

U.S. investment funds started buying gold futures and options earlier this year on forecasts that the market was finally turning the corner, helped by strong demand from the Middle East and Asia and peaking world output. Fears that a world economic revival would rekindle inflation as well as bullish historical price charts supported sentiment.

At the end of April, when it emerged that the investor George Soros had bought 10 percent of the U.S. gold producer Newmont Mining Corp. from the financier James Goldsmith, who bought gold call options with the money.

Last week, Mr. Goldsmith announced he would sell a further tranche of shares in Newmont and some of the proceeds were slated to buy physical gold.

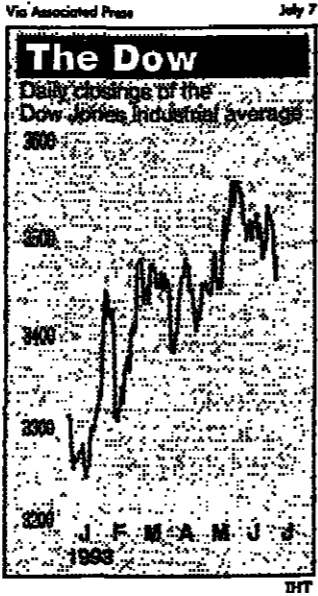
The U.S. currency sank on the report, bottoming out against the yen at 106.83 yen and then rallied to 107.55, still down from 108.80 on Tuesday.

The dollar inched up to 1.7070 DM from 1.7046 on Tuesday.

The value of the British pound sank to \$1.4935 from \$1.5035. Against other currencies, the dollar rose to 1.5130 Swiss francs from 1.5115, and to 5.7740 French francs from 5.7650.

In London, the dollar edged up to 1.7017 DM from 1.6990 on Tuesday. The pound ran into some sizeable profit-taking and slipped to \$1.4920 from Tuesday's \$1.5110.

Along with Fisher Black, now at Goldman, Sachs & Co., Mr. Scholes developed a mathematical formula in 1973 that is widely used to value options.



NYSE Most Active

Table listing NYSE Most Active stocks with columns for Volume, High, Low, Close, and Change. Includes SunAm, SunAm, SunAm, SunAm, SunAm, SunAm, SunAm, SunAm, SunAm, SunAm.

AMEX Most Active

Table listing AMEX Most Active stocks with columns for Volume, High, Low, Last, and Change. Includes Ecolab, Ecolab, Ecolab, Ecolab, Ecolab, Ecolab, Ecolab, Ecolab, Ecolab, Ecolab.

NYSE Diary

Table listing NYSE Diary with columns for Advance, Decline, Unchanged, Total Issues, and New Issues.

Amex Diary

Table listing Amex Diary with columns for Advance, Unchanged, Total Issues, and New Issues.

NASDAQ Diary

Table listing NASDAQ Diary with columns for Advance, Unchanged, Total Issues, and New Issues.

Dow Jones Averages

Table showing Dow Jones Averages for various indices including Industrial, Chemical, Utility, Finance, and SP 100.

Standard & Poor's Indexes

Table showing Standard & Poor's Indexes for various sectors like Industrials, Chemicals, Utilities, Finance, and SP 100.

NYSE Indexes

Table showing NYSE Indexes for various categories like Composite, Industrials, Finance, and Utilities.

NASDAQ Indexes

Table showing NASDAQ Indexes for Composite, Industrials, Finance, and Utilities.

AMEX Stock Index

Table showing AMEX Stock Index for High, Low, Close, and Change.

Dow Jones Bond Averages

Table showing Dow Jones Bond Averages for 20 Bonds, 10 Utilities, and 10 Industrials.

Market Sales

Table showing Market Sales for NYSE, AMEX, and NASDAQ with columns for Volume, High, Low, Last, and Change.

N.Y.S.E. Odd-Lot Trading

Table showing N.Y.S.E. Odd-Lot Trading for various months from July to June.

S&P 100 Index Options

Table showing S&P 100 Index Options for various months from July to June.

EUROPEAN FUTURES

Table showing European Futures for Food and Industrials.

Metals

Table showing Metals futures for Aluminum, Copper, and Zinc.

Financial

Table showing Financial futures for 3-Month Eurodollar and 3-Month Eurodollar.

LONG GILT (LIFFE)

Table showing LONG GILT (LIFFE) for various months from July to June.

GERMAN GOVERNMENT BOND (LIFFE)

Table showing GERMAN GOVERNMENT BOND (LIFFE) for various months from July to June.

UK GOVERNMENT BOND (LIFFE)

Table showing UK GOVERNMENT BOND (LIFFE) for various months from July to June.

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Text providing subscription information for Germany, including contact details for the publisher.

Wang Predicts Profitability This Fall

BOSTON (Combined Dispatches) — Wang Laboratories Inc. prepared Wednesday to emerge from Chapter 11 bankruptcy-law proceedings and said it would be profitable again each quarter after Oct. 1.

The company's president, Joseph M. Tucci, said Wang would file its formal reorganization plan with U.S. Bankruptcy Court in Boston on Thursday and planned to emerge as a "software and services" company.

Wholesale Inventories Rise Again

WASHINGTON (Bloomberg) — Inventories of American wholesalers rose in May for the third consecutive month, the Commerce Department said Wednesday.

Tribune Co. Plans Acquisitions

CHICAGO (UPI) — Tribune Co. has announced it would buy Compton's Multimedia Publishing Group from Encyclopedia Britannica Inc. for \$57 million and would acquire Contemporary Books for \$40 million.

Quantum to Sell Big Mueller Stake

NEW YORK (Knight-Ridder) — The sale of Mueller Industries Inc. stock planned by George Soros' Quantum Fund comprises the bulk of the fund's stake in the Wichita, Kansas, metals products maker, a Mueller spokesman said.

For the Record

Bill Cosby hired Goldman, Sachs & Co. to seek financing for a possible \$4 billion bid for NBC-TV, Vanity Fair magazine said. Chevron Corp. said it would put its 71-year-old headquarters building in San Francisco's financial district on the market. It had no estimate on its market value.

U.S. AT THE CLOSE

Table showing U.S. AT THE CLOSE for various commodities like Wheat, Soybeans, and Corn.

Table showing U.S. AT THE CLOSE for various metals like Silver, Gold, and Platinum.

Table showing U.S. AT THE CLOSE for various currencies like British Pound, Japanese Yen, and Swiss Franc.

Table showing U.S. AT THE CLOSE for various stock indices like S&P 500, NYSE, and NASDAQ.

Table showing U.S. AT THE CLOSE for various international stock indices like Nikkei, Hang Seng, and DAX.

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WORLD STOCK MARKETS

Agence France Press July 7

Table showing World Stock Markets for Amsterdam, Brussels, Frankfurt, and London.

Table showing World Stock Markets for Paris, Madrid, Sao Paulo, and Singapore.

Table showing World Stock Markets for Tokyo, Zurich, and Hong Kong.

Table showing World Stock Markets for Seoul, Taipei, and Manila.

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Handwritten text at the bottom of the page: "السوق من الأمام"

## Russia Gets U.S. Aid for Oil Sector

WASHINGTON — The United States and Russia have signed a long-awaited deal that will grant Moscow \$2 billion in loans to revitalize its energy sector.

The agreement came Tuesday, the day of the summit meeting of the Group of Seven industrial nations, signed by the chairman of the U.S. Export-Import Bank, Kenneth Brody, and the Russian ambassador, Vladimir Lukin.

The deal followed more than a year of delays and wrangling and came just hours before the G-7 leaders sat down to discuss Russian aid, which is high on their list of pressing economic issues.

Mr. Brody called the deal "a useful sign to the world" while Mr. Lukin said the funding sent "a very good signal" to the leaders of the G-7 that they stimulate others to do the same thing, he said.

President Boris N. Yeltsin of Russia has been invited to the summit meeting of the United States, Japan, Germany, France, Britain, Italy and Canada in Tokyo, and plans to meet President Bill Clinton of the United States separately.

Before the funds can be made available to Russia, the World Bank has to waive any claim to the program's oil and gas export revenue. Export-Import Bank officials expect the waiver by the end of July.

Without the waiver, Russia would not be able to meet one of the key requirements of the plan, which requires it to repay the loans by sending some of its export revenue into offshore escrow accounts.

(Reuters, Bloomberg)

## And Now, a Topless Mini Go-Cart With a Speedometer Thrives

LONDON — It symbolized the Swinging '60s. Now, after several reincarnations and an attempt to lift Britain's beloved motor car, the Mini is going topless.

With 5.26 million Minis manufactured, the parent company, Rover Group, a unit of British Aerospace PLC, is for the first time offering a production convertible.

The convertible will boost the Mini's image, but not sales. Rover will only build about 15 a month. Over a span of 34 years, the Mini has been a pickup truck, a van, a jeep and a luxury car as well as a family runabout. It survived the entire era between psychedelia and ecologia.

The Mini — all 3.05 meters (10 feet) of it — has been the British antithesis of the Rolls-Royce since it was first sold in 1959 for £496/9 (\$1,390 at the time).

Little more than a four-seat, box-shaped go-cart equipped with a speedometer and 10-inch wheels, the Mini was the automobile of choice for the likes of Peter Sellers, Brito Eklund, Princess Margaret and assorted bell-bottomed rock stars.

Mini sales peaked at an annual 318,475 in 1971, and the manufacturers were ready to call it a day in 1986. However, concern for cheap, fuel-efficient cars saved a vehicle that even its biggest fans say has the siding qualities of a trash can and the accessibility of a mouse hole.

Today, it is a trend setter in Japan, the Mini's largest market. In 1991, the Japanese bought 40,360 Minis, nearly 2,000 more than the British. Rover now produces 40,000 Minis a year in four versions:

- The \$7,950 Sprite.
- The \$9,950 Mayfair.
- The \$10,500 fuel-injected Cooper.
- The \$18,000 convertible.

The Mini is 38 centimeters shorter than the new European city car, France's Renault Twingo, and gets up to 50 miles (80 kilometers) per gallon (3.8 liters) on the highway.

Powered by a 1,275 cubic centimeter (76.5 cubic inch) engine, a Mini accelerates fast enough for the former racing driver Nikki Lauda to own two.

There are 248 Mini fan clubs around the world. A magazine, MiniWorld, has a monthly paid circulation of 35,000 in 25 countries.

Masochists still try to top the 1986 record of 66 adults — inside and on top — who were badly transported by a Mini in an event televised by BBC.

"It's a classless car," said Rover spokesman Kevin Jones. "The rich and the less fortunate all love it, and it's become a classic."

Many middle-aged Britons learned to drive in a Mini and it was the setting for many a first sexual encounter. "It's a part of our past," said Nigel Fryatt, the editor of MiniWorld.

The Mini gained a certain notoriety in the 1960s when a London jury, deliberating a breach-of-

**'The rich and the less fortunate all love it.'**  
Kevin Jones, a Rover Group spokesman.

promise suit, was asked to decide if a couple had been able to consummate their relationship in the car's back seat.

The jurors solemnly trooped out to the court's parking lot with the bewigged judge and black-robed lawyers, inspected the car and a couple of clothed actors recruited for the day, and then decided it was possible.

The Mini grew out of the need for fuel-efficient cars that could ease the pain of gasoline rationing caused by the Suez crisis. Designer Alec Issigonis set himself a 10-foot limit on length and developed the first four-cylinder, four-stroke transverse engine in order to shorten the hood.

To drive the front wheels, he borrowed from submarine-periscope technology. It had sliding windows, since Mr. Issigonis wanted to save interior space by eliminating the handles.

Its staying power has caused Volkswagen AG to wonder whether it should once again offer its Beetle in Europe. The Beetle currently is built only in Mexico for Latin America.

## France Will Seek Shake-Up at State Firms Before Sale

PARIS — Industry Minister Gerard Longuet on Wednesday signaled he would seek to shake up some of France's state-owned companies ahead of their planned sale in the conservative government's privatization program.

In an interview with the business daily Les Echos, Mr. Longuet said the computer concern Groupe Bull would have to end its run of big losses. Bull is on the privatization list, but it is not expected to be sold soon. It has posted losses of 14.82 billion francs (\$2.57 billion) in the past three years.

On Monday, Bull executives, in announcing a second round of job cuts, held out the prospect of breaking even in 1995. Mr. Longuet said in the interview that Bull was afloat and needed a clearer strategy.

He also said he hoped the car-maker Renault would complete its merger with Volvo AB of Sweden before August.

"We are anxious to make sure that the Renault-Volvo merger happens quickly and eases the privatization of the group, which should be a major company under French control," he said.

He implied Alcatel Alsthom could increase its holding in the nuclear power plant concern Framatome beyond the 44 percent limit imposed by the Socialist government when it was in office in March.

Mr. Longuet also suggested the government might seek to privatize Thomson Consumer Electronics and the defense concern Thomson-CSF as a single entity. Investors would be expected to flock to the profitable Thomson-CSF, but the consumer electronics concern has posted losses for the past two years while spending large sums to develop high-definition television.

Mr. Longuet acknowledged that the two had different corporate cultures but said he did not rule out offering them for sale together.

Thomson-CSF's stockholders seemed unmoved by the possibility. The defense concern's share price fell 2.6 percent Wednesday on the Paris Bourse, and analysts said concern that the company could be linked with Thomson Consumer Electronics was at 168.10 francs (\$29.16) a share, down 4.40 francs.

Separately, Thomson-CSF said a review of requirements through 1994 indicated it needed to cut 1,600 jobs. (Reuters, Bloomberg, AFP)

France plans to start selling 21 financial and industrial concerns this fall as part of a five-year plan. The oil company Société Nationale Elf Aquitaine and the chemical and drug giant Rhône-Poulenc SA are "running neck and neck" as the possible first industrial concerns to be sold off in the privatization, Mr. Longuet said.

He defined his aim as injecting "dynamism" into public companies through an "aggressive strategy of alliances and privatizations."

For instance, he suggested Pechiney SA, the aluminum and packaging concern, should look for allies.

He pointed to a news report last month saying that a packaging giant could be created by linking Pechiney and the French industrial concern Saint-Gobain. "I am convinced that people have reflected on that in the two companies which have been named," he said.

Another possibility would be to find an electricity-generation partner for Pechiney, he added.

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Exchange	Index	Wednesday Close	Previous Close	% Change
Frankfurt DAX	1750	1750	1750	
London FTSE 100 Index	2500	2500	2500	
Paris CAC 40	2100	2100	2100	
Amsterdam CBS Trend	113.80	113.20	+0.53	
Brussels Stock Index	6,554.70	6,569.37	-0.22	
Frankfurt DAX	1,719.76	1,700.87	+1.11	
Frankfurt FAZ	663.65	661.49	+0.33	
Helsinki HEX	1,248.80	1,241.61	+0.58	
London Financial Times 30	2,234.10	2,235.00	-0.04	
London FTSE 100	2,848.30	2,848.10	+0.01	
Madrid General Index	257.10	258.36	-0.49	
Milan MIB	1,186.00	1,180.00	+0.51	
Paris CAC 40	1,943.73	1,935.12	+0.44	
Stockholm Affarsvaerden	1,324.34	1,312.66	+0.88	
Vienna Stock Index	370.79	369.78	+0.27	
Zurich SSS	813.00	819.00	-0.73	

Sources: Reuters, AFP

### Very briefly:

- Aer Lingus' survival plan, which would eliminate 1,500 jobs, won government approval but faces opposition from unions representing most of the work force. The plan would also scrap a mandatory stopover in Shannon, in western Ireland, for trans-Atlantic flights.
- Dixons Group PLC said its pretax profit fell 33 percent in the latest financial year, to £33.5 million (\$50.2 million), from £50.1 million a year earlier. The result was well below analysts' expectations.
- Courtauld PLC sold its flexible packaging operation to the Scottish Sidlaw Group PLC for £79 million. The division, which employs 975 people, had sales of £112 million in the latest financial year.
- The European Court of Justice ruled that the word "brandy" can be used in the names of fruit liqueurs, denying a Spanish application to limit the name to its own product, made from distilled wine.
- BASF AG pharmaceuticals unit Knoll AG, which had an operating loss of 20 million DM in the first half of 1993, plans to cut 400 to 600 jobs from its work force of 4,000 in Germany.

(Reuters, AP, AFP, Bloomberg)

## A Warning on Ferruzzi Debt

ROME — A Bank of Italy official urged swift action Wednesday to ease the deepening debt problems at the family-controlled conglomerate before they damaged the national economy.

The central bank's vice director general, Vincenzo Desario, also warned that the crisis that has blown up in recent weeks over Ferruzzi's 31 trillion lire (\$20.6 billion) of debt risked denting the image of Italian business generally.

"If such situations are not adequately and promptly dealt with, they risk having a negative effect on the economy and the finance, with the risk of a systemic crisis," he told a parliamentary committee.

Meanwhile, Price Waterhouse & Co. said it has withdrawn its certification of the Ferruzzi accounts following the discovery of new losses at the company's Montedison SPA unit. A new audit is under way.

(Reuters, Bloomberg)

## Economic Outlook Dims

France's gross domestic product, excluding administrative contributions, is set to shrink 1.2 percent this year as fears of unemployment keep consumer demand low, Bloomberg Business News quoted INSEE, the French Economics Ministry's statistics office, as saying from Paris. A month ago, INSEE predicted only a 0.8 percent contraction.

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THE BOARD OF DIRECTORS

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## Job Cuts Ire Unions at Aerospatiale

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But the unions suggested the cuts in the company's 45,000-member work force were meant to make it more attractive for privatization.

Aerospatiale is part of Airbus Industrie, the European airliner consortium.

## KMART: Selling Consumerism in Eastern Europe

Continued from Page 11

many in the 40-plus age group as in the 30-plus age group passed the tests. "I was encouraged that women over 40 with experience were happy to accept the change," he said.

The flagship Prague store is the first to have its brightly lit counters ripped out and replaced with bright, open floor space, where shoppers can wander, touch, feel and even try on the goods.

The redesign resulted in more shelves and racks to produce higher volume, a key feature of Kmart's operations. But in the short term this meant a problem: There were not enough Czech goods to fill the expanded space. So the first big three days — was of bottom prices — which sold out in Asia.

Summer shorts (\$2) and tops (\$3) made in Asia, quickly, "Mr. MacNeill said.

To push local producers, Kmart has ordered samples from Czech manufacturers and sent them to its buyers at its headquarters in Troy, Michigan, for possible introduction in stores in the United States.

The products ranged from glassware to pocket knives to fishing gear. About 10 products won orders from the Kmart buyers, Mr. MacNeill said.

Local manufacturers welcomed the large orders from the American Kmart. But factory managers said they were unsure how to react. They are unaccustomed to adjusting to the uncertainties of market forces and the whims of demanding retailers.

The Czech Mikov factory, for example, received an order for 100,000 pocket knives for Kmart in the United States. But that order represents half the factory's total production.

If the knives sell well in the United States, there will be more orders, perhaps for a million knives. But, said an excited but perplexed company official, Mikov invests in expensive machinery, and even buildings, without a firm commitment from Kmart.

## AIRLINE: Lufthansa Sees Loss

Continued from Page 11

view of the worsening of the economic crisis, Mr. Attali said.

Mr. Attali also criticized the EC Commission for not reacting to a white paper produced by European airlines 18 months ago on what it called "unfair" competition from U.S. airlines and said he wanted the American-French air-traffic agreement to be renegotiated as well.

(Reuters, AFP, Bloomberg)

## Austria Air Sets a Decision

Austrian Airlines' management board said the carrier would decide next month what other European airlines it would cooperate with or whether it would continue to operate on its own, Reuters reported from Vienna.

The state-owned carrier also said it had a net loss of 290 million schillings (\$24.3 million) in the first six months of 1993, compared with a loss of 126 million schillings a year earlier, and it expected to post a net loss of 400 million schillings and an operating loss of 700 million schillings for the full year.

Austrian is in talks with Swissair, KLM and Scandinavian Airlines System about the possibility of pooling their operations to counter the financial crisis in the international aviation industry. It is also talking separately with Lufthansa and Air France.

## HARRY: He's a Consultant, a Broker, a Doctor and More — Or So He Says

Continued from Page 11

or two and always, he says, a peek to see how the boss — usually the target — is taking it.

"It almost always causes tension," Mr. Freedman said, "until I get to the point where people say, 'Hey, wait a minute, this has got to be a put-on.'"

Addressing about 200 health-care clients of the Indianapolis-based Vasa Insurance Group, at a convention in Las Vegas recently, he was introduced as Dr. Harry Freedman, a doctor of philosophy from Harvard, an expert on hospital administration and an authority on health-care reform who had been an adviser to Hillary Rodham Clinton's task force.

As "Dr. Freedman strode to the podium, the audience applauded respectfully and awaited his words of wisdom. The words were not exactly what was expected.

"Everyone involved in the health-care industry is going to have to share in the sacrifice, and that's particularly true for the insurance industry," he began, "Some of you may be aware of what is known as the Jackson Hole Plan, where a group of Congressmen wrote up ideas for managed competition in health care. Well, frankly, we haven't really bothered to read that plan, but we have come up with our own program, which we call the Jersey Shore Plan, that we think is going to revolutionize health insurance.

"You know when you pay for most health insurance, you're covered for every illness, but you're not going to get every illness. So our policy is you only pay for the disease you want to be covered for."

"He told the increasingly puzzled audience, "You want protection for tuberculosis, that's 50 bucks a year. For another 50 bucks a year, you don't have to worry about getting salmonella or botulism plague. Now, some people might argue nobody gets botulism plague, but for 50 bucks a year, why gamble?"

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# SPORTS SOCCER

## Judge Questions Tapie - On New Bribe Charges

Compiled by Our Staff From Despatches  
PARIS — Bernard Tapie, president of the European soccer champions Olympique Marseille, has been accused of offering the former coach of the Valenciennes team financial and career advantages to take the blame for rigging a league match and has been questioned by the judge investigating the widening bribery allegations.

Tapie, a former government minister as well as owner of the Marseille team, was interviewed Tuesday by Judge Bernard Befly, who was accompanied by Boro Primorac, who was replaced as Valenciennes' coach at the end of the season.

Befly is also looking into allegations that a Marseille official and a player offered bribes to three Valenciennes players to throw a league match on May 30, six days before Olympique upset AC Milan in the Champions' Cup final.

Tapie's lawyer, Francis Szpiner, called the questioning "an outrageous" move, but said that a secretary at Tapie's company had been held overnight by police.

Primorac, his lawyer said, has told the state prosecutor that he was contacted last month by a man who identified himself as an official of the Basia team on Corsica, and a friend of Tapie's.

Jean-Jacques Bertrand, Primorac's lawyer, said his client was offered 500,000 francs (\$100,000) over lunch at Fougues restaurant on the Champs-Elysees to accept the blame for fixing the match in May.

The intermediary, identified as a Mr. Noel, then took Primorac to the Tapie in his offices at the nearby Bernard Tapie Finance

headquarters, where the offer was repeated, Bertrand said.

Neither Befly nor Primorac spoke publicly about the meeting, while Tapie denied the accusations.

"I hadn't seen Primorac since the Valenciennes match," Tapie said. "Anyway, in front of the magistrate, he didn't affirm that I'd asked him anything."

Primorac was the coach when Valenciennes lost, 1-0, at home to Marseille. Before the match, Primorac was told by defender Jacques Glassmann that he and two other players had been offered bribes to throw the match. Primorac informed his club's directors.

The two other players, Jorge Burruchaga and Christophe Robert, have admitted accepting bribes, though they said they later changed their minds.

Jorge Burruchaga and Christophe Robert are two players who will have difficulty in getting another license in French football, he said.

The Valenciennes players said Eydiele and Bernes were the ones who offered the bribe. Both have denied involvement and have been remanded in custody.

The police, meanwhile, issued a warrant for Marie-Christine Eydiele. Investigators said they had been unable to locate her, and her husband said he did not know her whereabouts.

The prosecutor in the case, Eric De Montgolfier, insisted Wednesday in a national radio interview that Bernes "seemed to corrupt. From my point of view, he has corrupted."

"He was one of the key figures ... but certain information in the dossier shows that Jean-Pierre Bernes did not act alone."

Asked if Tapie was a suspect, De Montgolfier replied, "That there should be suspicions, yes, that's clear. Let's not speak hypocritically."

But, he added, it was too early to judge whether the millionaire businessman was guilty. "I am not in a position to say that from the evidence in the dossier at the moment," De Montgolfier said.

The French league's president, Noel Le Graet, met with De Montgolfier and Befly on Wednesday morning to discuss the case and said that Burruchaga and Robert would probably be banned from the sport.

"Jorge Burruchaga and Christophe Robert are two players who will have difficulty in getting another license in French football," he said.

Later in the day, after a meeting of the league's executive body, Le Graet reiterated that because of the judicial process, no action could be taken against clubs or players involved in the case before the start of the new season.

"The championship will start on July 24 with Marseille" as the defending champion, he said, then added: "It's completely impossible that the players involved in this affair play in the championship. I invite them to take a little rest."

Marseille faces the loss of its title and relegation to the second division if the charges against it are proved. (AFP, Reuters, AP)

Mario Cipollini, third from the right, and his GB-MB teammates had the fourth-stage victory lined up in the 81-kilometer team time trial on the borders of Britain and Normandy. Alex Zülle's Spanish team ONCE was next, five seconds behind, and the American Motorola team came in third, 16 seconds back.



## Cipollini Takes Lead, Zülle Moves Past Indurain

Compiled by Our Staff From Despatches  
AVRANCHES, France — Mario Cipollini took over the lead Wednesday in the Tour de France as his GB-MB team won the fourth-stage team time trial.

Two-time champion Miguel Indurain put himself in a fairly good position by losing only a handful of seconds to his expected challengers, although Alex Zülle gained 1 minute, 17 seconds on Indurain and moved past him in the overall standings.

GB-MG won the 81-kilometer (50-mile) time trial in 1 hour, 34 minutes, 10 seconds. Zülle's Spanish team ONCE was next, five seconds behind, and the American Motorola team came in third, 16 seconds back.

Indurain is expected to make up time in the individual time trial next Monday at Lac de Madine outside Nancy. He has not lost a major time trial in the last two years and won last year's first time trial in the Tour de France by three minutes.

### SIDELINES

**Devers Posts a Faster Time in 100**  
LAUSANNE (Reuters) — Olympic gold medalist Gail Devers ran the fastest time of the year for the women's 100 meters for the second time in six days on Wednesday.

**Dorothy Shula's Grave Broken Into**  
MIAMI (UPI) — Vandalism apparently working in tandem broke into the grave of Dorothy Shula, the late wife of the Miami Dolphins' coach.

**For the Record**  
U.S. State Department officials have held firm on their decision to refuse entry visas to 79 Libyan athletes seeking to compete in the World University Games that begin Thursday in Buffalo, New York, an attorney for the Games said.

**Quotable**  
John McKay, asked about his team's execution when he was coach of the Tampa Bay Buccaneers: "Yin all for it."

### SCOREBOARD

Baseball Major League Standings table with columns for team, W, L, Pct., GB, and Home Runs.

### Japanese Leagues

Table showing Japanese League standings with columns for team, W, L, Pct., and Runs.

### SOCCER

Table showing soccer match results with columns for teams, score, and goals.

### TRANSACTIONS

Table listing player transactions between teams, including names and positions.

### For Tennis Hackers, The Cure-All Racket

The Associated Press  
AMHERST, Massachusetts — An Ohio mathematician has invented a tennis racket with a rotating handle that, he claims, can transform hackers into sure-fire smashers at the flick of a screw.

### Lewis Signs to Fight Morrison Next Fall, Holyfield in Spring

The Associated Press  
LONDON — WBC heavyweight champion Lennox Lewis has canceled plans to defend his title against countryman Frank Bruno and has agreed to a two-fight deal that will match him against Tommy Morrison next fall and Evander Holyfield next spring, his manager said Wednesday.

### MIAMI

Continuation of the Dorothy Shula article, mentioning the investigation and the state's decision to prosecute.

### For the Record

Continuation of the record article, mentioning the visa refusals and the Tampa Bay Buccaneers.

### Quotable

Continuation of the quotable article, mentioning John McKay's comment.

### SCOREBOARD

Continuation of the scoreboard table, including Japanese Leagues and Soccer.

### TRANSACTIONS

Continuation of the transactions table, listing player movements.

### Parnevik Birdies Last 6 Holes for Lead in Scottish Open

Compiled by Our Staff From Despatches  
GLENELG, Scotland — Jesper Parnevik of Sweden, despite a blustery wind Wednesday, shot six consecutive birdies and a 64 to take the first-round lead in the Scottish Open.

ART BUCHWALD

Thy Neighbor's Dog

WASHINGTON — I don't mind friends who want you to love them.

What bothers me are the ones who insist that you love their dog.



Buchwald

I invited some friends over for dinner the other night. Bob Healy asked if he could bring his dog, Pasta.

"What's the difference between a dog and a human being as a dinner guest?"

"A human being doesn't get under the table and slobber all over your pants."

"What's your choice, Bob? But I refuse to be blackmailed into inviting Pasta."

"For heaven's sake, give me one good reason why he can't come."

"O.K., Healy. I'll tell you the truth. He would make 13 at the table."

A Vanished Past, in Black and White

By Joan Dupont

PARIS — Yolande Zauberman sits at the Café Select, at home in her Left Bank neighborhood, face flushed with sun, bare legs mosquito-bitten down to the sneakers.

A French director who has never made a movie in her native language, Zauberman studies outlaws and survivors. She shoots in remote places and dialects.

Her latest adventure, "Moi Ivan Toi Abraham" (Ivan and Abraham), is her first feature. The story is set in a Jewish village in Poland during the 1930s, where Ivan, an orphan apprentice, and Abraham, the young son of the house, live as brothers.

The film's ominous subtext is genocide, but the director's oblique way of telling a story never emphasizes the drama.

At home there was silence. It wasn't like a family secret, more like a piece of your body that's missing. So Abraham isn't my story, it's not even my memory — it came from a dream I had. In the morning I felt I had dreamed a whole life. Up to then, I felt that something was missing in me.

Only her grandmother, whom she calls the most modern person in the family, told her stories: "She had been a modern woman in Poland. She worked and went to the movies on the Sabbath. In France, she became just a mother and grandmother."

Her grandmother's language was Yiddish and so it seemed the natural language for her characters. "That's why I used it, not because I wanted to make it live again — I don't believe it's possible — but because the story took place in that time and that language. I asked the actors to use their own accents and not try to talk like characters from the '30s."

With her fair hair and complexion, the director was not perceived as Jewish, which gave her a certain latitude. "They told me things and I loved the honesty, but even though I felt happy in Poland, my blood was like ice. I kept thinking of that line by Bette Davis in 'All About Eve,' you know? 'Everybody has a heart, except some people.'"



Yolande Zauberman filmed "Moi Ivan Toi Abraham" in Ukraine.

A student of art history and economics, Zauberman got into film by accident. A friend, the Israeli director Amos Gitai, asked her to help on his first feature.

It happens that directors who journey from documentary to fiction alter their approach. Alain Resnais, for example, treated similar subjects in different ways in his historic documentary "Night and Fog" and his poetic fiction "Hiroshima Mon Amour."

Zauberman makes no distinction between the forms. "I used things the people I had filmed in documentaries taught me. When I shot in India, I looked for what makes us alike, not for exoticism. I realized that I was just as mysterious to these people as they were to me."

She is not sure what language she will use in her next film. "I know I'll get to French someday, but the idea of shooting in French is almost taboo. I feel very French, but as if I had a second mother tongue. That second language, which is silence, motivates me more than the language I was given. That's something I just discovered on this film."

Joan Dupont is a Paris-based writer, specializing in the arts.

PEOPLE

Major Gets an Apology By the New Statesman

It's been a bad week for the British press. Arnold Schwarzenegger won damages for a charge of anti-Semitism and Mel Gibson got an apology for an article suggesting he raped other stars for accepting sexually explicit roles.

French police Wednesday returned about three-quarters of the jewels that had been stolen at gunpoint from the Riviera last weekend from U.S. billionaire Marvin Davis and his wife.

Brigitte Bardot has appealed to Russian President Boris N. Yeltsin to act to prevent the killing of thousands of baby seals each spring in the Koida region near Arkhangelsk.

John F. Kennedy Jr., who recently took the actress Daryl Hannah to his 16th wedding at Brown University, has resigned as an assistant district attorney in Manhattan after serving more than a standard tour of duty.

INTERNATIONAL CLASSIFIED Appears on Pages 4 & 15

U.S. Group Donates Window to Cathedral

DURHAM, England — A stained-glass window donated by Americans was dedicated at Durham Cathedral, one of the grandest and most imposing of England's great churches.

The window — two 10-foot-tall (3-meter) abstract panels — was placed in the cathedral's Galilee porch, which contains the tomb of the Venerable Bede, author of the first history of England.

WEATHER

Weather forecast section including maps for Europe, Asia, North America, and Latin America, with temperature and precipitation data.

CROSSWORD

Crossword puzzle section with clues and a grid. Includes 'ACROSS' and 'DOWN' clues and a 'Solution to Puzzle of July 7'.

If you're going to travel all over the map, here's how to call from almost any point on it.



Table of AT&T Access Numbers for various countries including Andorra, Armenia, Austria, Bahrain, Belgium, Cape Verde Islands, Czech Republic, Denmark, Egypt, Faroe Islands, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Kenya, Luxembourg, Malawi, Malta, Monaco, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Russia, Saudi Arabia, Slovakia, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, U.A.E., U.K., U.S.A., Venezuela, and Zimbabwe.

AT&T puts the world at your fingertips. Just dial the AT&T access number of the country you're calling from for quick, clear connections back to the U.S. and lots of other countries. International calling made simple is all part of The i Plan from AT&T.

هاتف من الأصل